

31 May 1985

**Acquisition Management**

**GOVERNMENT-FURNISHED EQUIPMENT/CONTRACTOR-FURNISHED EQUIPMENT  
(GFE/CFE) SELECTION PROCESS, GFE ACQUISITION AND GFE MANAGEMENT**

This regulation sets up policies and procedures and assigns responsibilities for the GFE/CFE and loan/lease selection processes and the acquisition management of GFE. This regulation is primarily concerned with system and subsystem programs in demonstration and validation, full-scale engineering development, and production phases. It applies to AFSC and AFLC organizations that plan, identify, select, develop, test, acquire, or modify equipment to support AFRs 57-4, 400-3, and 800-2. It does not apply to laboratory or test organizations that support nonacquisition programs. AFR 67-19 gives procedures for identifying equipment needs for nonacquisition programs. This regulation implements AFR 800-22.

The use of a name of any specific manufacturer, commercial product, commodity, or service in this publication does not imply endorsement by the Air Force.

	Paragraph	Page
Purpose of This Regulation . . . . .	1	2
Terms Explained . . . . .	2	2
Policy Procedures . . . . .	3	4
HQ AFSC Responsibilities. . . . .	4	5
AFSC Product Divisions and Joint Program Offices Responsibilities . . . . .	5	5
AFSC Program Offices and AFLC System Offices Responsibilities . . . . .	6	6
Equipment-Buying Activities Responsibilities . . . . .	7	8
HQ AFLC Responsibilities . . . . .	8	8
ALCs Responsibilities. . . . .	9	8
AFALC Responsibilities . . . . .	10	10
AFPROs/Cognizant Contract Administration Offices Responsibilities . . . . .	11	11
<b>Attachments</b>		
1. GFE/CFE Life-Cycle Cost (LCC) Model. . . . .		11
2. GFE/CFE Selection Process. . . . .		17
3. Policy, Procedures, and Preparation Instructions for AFLC/AFSC Form 8, GFE Availability Request/Acquisition Assessment . . . . .		27
4. Mission Equipment (ME)—Acquisition and Management Guidance . . . . .		35
5. Support Equipment (SE)—Acquisition and Management Guidance . . . . .		39
6. Policy, Procedures, and Preparation Instructions for AFLC/AFSC Form 7, Government Furnished Configuration Item Technical Requirements . . . . .		42
7. Procedures for Processing DD Form 610, DOD GFAE Requirement Schedule. . . . .		49
8. Standard/Preferred Item List Strategy . . . . .		50
9. Component Breakout Process . . . . .		54
10. Policy and Procedures for Loan or Lease of Military Property . . . . .		55

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## Forms Prescribed

AFLC/AFSC 6, Air Force Standard/Preferred Item List . . . . .	5c	6
AFLC/AFSC 7, Government Furnished Configuration Item Technical Requirements . . . . .	6b(18)	7
AFLC/AFSC 8, GFE Availability Request/Acquisition Assessment . . . . .	3n	5

**1. Purpose of This Regulation.** The policy and guidance provided in this regulation are intended to—

- a. Emphasize the use of standard equipment.
- b. Reduce costs of acquisition and support of systems by promoting standardization.
- c. Provide methods and models for equipment selection and acquisition method (GFE v. CFE) decisions.
- d. Provide a method to determine whether GFE is available or procurable to meet program requirements.
- e. Preserve a written rationale for equipment selection and GFE versus CFE decisions.
- f. Provide procedures for control of military property loaned or leased to contractors from Air Force stock or acquired for or by contractors for loan or lease of property that has title vested in the government.
- g. Integrate military facility requirements with the equipment selection process.

**2. Terms Explained:**

**a. Government-Furnished Property (GFP).** (Defense Acquisition Regulation (DAR) 13-101.2; Federal Acquisition Regulation (FAR) 45.101). Property in the possession of or acquired directly by the government, and subsequently delivered or otherwise made available to the contractor. There are five categories of GFP: material, special tooling, special test equipment, military property, and facilities.

**b. Government-Furnished Material (GFM).** (DAR 13-101.4 and H-101.5; FAR 45.301 and FAR DOD Supplement H-101.5). Property furnished by the government that may be incorporated into or attached to an end item to be delivered under a contract or that may be consumed or expended in performing a contract. Includes but is not limited to new, raw, and processed material; parts; components; assemblies; and small tools and supplies. In this regulation, GFM also includes stock-fund consumable-type items.

**c. Equipment.** A major subdivision of a weapon system or subsystem. Equipment performs functions affecting a weapon system or subsystem's operational capability and readiness. In this regulation, equipment is a subset of GFP: a major functional unit, assembly, module, or end item, but not piece parts or components that make up equipment. Equipment includes mission equipment (D041-type items) and support equipment (D039-type items). In this regulation, the terms "equipment," "item," and "unit" are equivalent.

**d. Mission Equipment (ME).** Any equipment that is a functional part of a system or subsystem and that

is required to perform mission operations. ME includes such items as aircraft radios, missile-launching mechanisms, engines, constant-speed drives, munition pylons, command-and-control displays, and radar sets. (ME may include nonconsumable or investment items with expendability-recoverability-repairability codes (ERRC) of C, T, and L.)

**e. Support Equipment (SE).** (AFR 800-12). Any equipment required to make or keep a system, command-and-control system, support system, subsystem, end item of equipment, or component operational in its intended environment. This includes all equipment needed to install, launch, arrest, guide, control, direct, inspect, test, adjust, calibrate, appraise, gauge, measure, assemble, disassemble, handle, transport, safeguard, store, actuate, service, repair, overhaul, maintain, or operate the system, subsystem, end item, component, or support equipment for support equipment.

**f. Government-Furnished Equipment (GFE).** (AFR 800-22). Items in the possession of or acquired directly by the government, and subsequently delivered or otherwise made available to the contractor for integration into the system or equipment. Equipment designated as GFE may be delivered directly to the using organization. GFE includes ME and SE. The definition of GFE narrows the definition of GFP by adding "for integration into the system or equipment." As a result, all GFE is GFP, but some GFP is not GFE.

(1) Material (DAR 13-101.4 and FAR 45.301) and GFM are not GFE unless they are ME or SE as defined in this regulation. Consumable GFM is not GFE.

(2) Special Tooling (DAR 13-101.5 and FAR 45.101) and Special Test Equipment (DAR 13-101.6 and FAR 45.101) are not GFE unless they are delivered as end items, systems, or equipment. When delivered, the item becomes either SE or ME.

(3) Facilities (DAR 13-101.8 and FAR 45.301) are industrial property that can be classified only as GFP, not GFE.

(4) Military Property (DAR 13-101.7 and FAR 45.301) is property designed for military operations or for support of Air Force weapons or systems when comparable property is not readily available commercially. Military property is not common plant equipment such as drill presses or test equipment. All military property will have ERRCs of XD1(C), XD2(T), XD3(L), NF2(U) or ND2(S). Military property may be used to support GFE/GFM loan or lease requirements.

**g. Contractor-Furnished Equipment (CFE).** Equipment acquired, modified, or manufactured directly

by the contractor for use in the system under contract. CFE includes ME and SE.

**h. Air Force Designated Standard Item.** An item specifically developed or acquired to fill multiple Air Force requirements and that has been formally designated a standard item by HQ USAF. This category includes both inventory items and items under development (atch 8).

**i. Preferred Item.** An item not specifically developed or acquired to fill multiple Air Force requirements but that has been subsequently identified by the cognizant equipment development or buying activity as having that potential. This category also includes both inventory items and items under development.

**j. Common GFE.** GFE used in more than one system or equipment program.

**k. Peculiar GFE.** GFE used in only one system or equipment program.

**l. Equipment-Buying Activity.** The designated government office responsible for managing, engineering, and acquiring a specified piece of equipment for the using activity.

**m. GFE Manager.** The individual or office tasked by the program/system manager to manage and coordinate the equipment selection and acquisition method decision process.

**n. Preliminary Equipment List (PEL).** The first list of screened equipment the program/system office recommends for use after the Pre-Request for Proposal (Pre-RFP) preliminary equipment selection decision.

**o. Preliminary Master GFE List (PMGFEL).** The part of the PEL that the preliminary acquisition approach decision recommends providing to the contractor as GFE. The PMGFEL is incorporated into the RFP and sent to industry for review and comment.

**p. Preliminary Master CFE List (PMCFEL).** The part of the PEL that the preliminary acquisition approach decision indicates the contractor should furnish as CFE. The PMCFEL is incorporated into the RFP and sent to industry for review and comment.

**q. Master GFE List (MGFEL).** The contractually binding list of all approved GFE for the system. (This list may include items that are ME or SE.)

**r. Master CFE List (MCFEL).** The contractually binding list of all approved CFE for the system.

**s. Life Cycle Cost (LCC).** (AFR 800-11). An item or system's total cost over its full life. This includes the cost of developing it, acquiring it, owning it (operation, maintenance, support, etc.) and, when applicable, disposing of it. LCC must be given in terms of cost elements included, the period of time covered, the assumptions and conditions imposed, and whether LCC is meant as a relative comparison or absolute expression of expected cost.

**t. Material Utilization Control Office (MUCO).** The activity at each Air Logistics Center (ALC) that is the point of contact for managing and controlling

GFE and GFM items accepted for use on Air Force EY contracts.

**u. EY.** The letters "EY" and four digits are a stock record account number (SRAN) that identifies each contractor. The contractors use these numbers on requisitions when they order material. These EY designators are used on contracts for production, R&D, and tests. For example, EY9269-Northrop Corporation; EY5768-Sperry Rand.

**v. Loan.** Military property delivered to a contractor for a specific purpose directly related to a prime contract and that is returned to or accountable to the government when the special purpose is accomplished. Loan does not include assets for—

- (1) Sale.
- (2) Donation.
- (3) Lease.
- (4) A facilities contract.
- (5) Consumption or use in such a manner as to

lose identity in an end product delivered to or for the Air Force.

**w. Lease.** A temporary transfer of the right of possession and use of a nonexcess item of military property to a contractor, with the contractor agreeing to pay rent to the government for use of the property. Lease assets are returned to or accountable to the government on expiration of the lease agreement. Lease does not include assets for—

- (1) Sale.
- (2) Donation.
- (3) Loan or bailment.
- (4) A facilities contract.
- (5) Consumption or use in such a manner as to

lose identity in an end product delivered to or for the Air Force.

**x. Bailment.** In this regulation, "bailment" means the same as "loan."

**y. Loan or Lease Agreement.** A bilateral contractual instrument that accomplishes the actual delivery of military property and contains all information concerning the individual terms of the loan or lease. The loan or lease agreement includes—

- (1) Adequate description of the military property (national stock number (NSN) or noncataloged (NC) number and government nomenclature).
- (2) Purpose of the loan or lease.
- (3) Use of the property.
- (4) The period of time of the loan or lease (beginning and end dates of the agreement).
- (5) Applicable monetary terms.
- (6) The place from which the property is to be delivered.

(7) The place to which the property will be returned unless amended shipping instructions are provided by the prime ALC.

(8) Authorizations for modifications that may be incorporated in the property.

(9) Any special provisions considered necessary by the Air Force, such as agreements to maintain, repair, and restore the property.

(10) Military standard requisitioning and issue procedures (MILSTRIP).

### 3. Policy Procedures:

a. Program/system managers will maximize integration of designated standard and preferred items into new system developments.

b. Designated standard and preferred items will be provided to the contractor as GFE. The product division commander or a designated representative must approve any exceptions to this policy.

c. The organization (AFSC or AFLC) responsible for managing selected equipment will acquire designated standard and preferred equipment to support AFSC program offices' and AFLC system offices' GFE requirements.

d. AFLC and AFSC will develop the Standard/Preferred Item List (S/PIL) and keep it current.

e. AFSC Form 56, AFSC Program Direction (PD), or AFLC Form 1208, Program Action Directive (PAD), will specify that the program/system manager will screen the AF S/PIL and identify items on the list that functionally satisfy program requirements. These items will be called out in the RFP and statement of work (SOW). The contractor(s) will be required to include these items as GFE in their proposals unless the items are technically unsuitable or a more cost-effective alternative can be identified based on an Air Force LCC analysis. If the program/system manager deviates from the use of standard avionics or nonsupport equipment items on the AF S/PIL that are functionally suitable, the program/system manager must get coordination and approval from HQ AFSC/SDX or HQ AFLC/MML, respectively, and approval from HQ USAF/RDX. Deviation from use of AF-designated standard avionics items requires ASD-AFALC/AX, HQ AFLC/MML, and HQ AFSC/SDX coordination, and approval by HQ USAF/RDX (AFR 800-28). Deviation from use of preferred avionics items requires ASD-AFALC/AX coordination and approval from HQ AFSC or HQ AFLC as applicable. These coordination and approval procedures for avionics items apply to avionics SE with the addition that ASD/AEGS and AFALC/SDE also coordinate on the waivers before approval by the appropriate headquarters.

f. For each acquisition, modification, and foreign military sales (FMS) program, the program/system manager will tailor the methodology in this regulation to the program's specific needs. Program and acquisition planning documents must describe the approach for identifying, selecting, acquiring, and managing contracts for all equipment.

g. The program/system manager will base the equipment selection decision on a methodical screening of all known sources of equipment, both government and industry. With or without modification, the equipment selected must satisfy the technical and logistics support requirements of the system it will be used in. The program/system manager will make a decision based on the information in the

Logistic Support Analysis Record (LSAR) or on other analytic information that gives the expected LCCs of each candidate (atch 1). This decision process produces MGFELs and MCFELs that become part of the contract. When reviews and decisions affect system configuration, the program/system office keeps these lists current throughout the contract period. Program/system office directorates of contracting and manufacturing will review RFPs before releasing them to ensure they include master GFE and CFE Lists.

h. Within the constraints of equipment selection and acquisition method criteria, equipment will generally be selected according to the following order—

(1) Air Force Designated Standard Items/Preferred Items.

(2) Items in the government inventory or being developed under government contract.

(3) Commercially available items that meet technical and logistics requirements.

(4) Modifications of any of the above.

(5) New items to be developed.

i. If the program requires delivery of operational equipment, perform the GFE and CFE selection-process analysis (atch 2) to support all equipment selection and acquisition approach decisions. If the program/system manager expects the cost of analyzing an item will be more than any potential savings, the manager will substantiate this estimate and document it in the program records; the selection process will not then have to be carried out.

j. The GFE and CFE selection process requires a systematic method to identify and select the equipment that best satisfies program/system requirements and the best way to acquire it. The process involves two decisions that are separate but interdependent: an equipment selection decision and an acquisition approach decision. Support these decisions with explanatory documentation, coordinate them with all participants, and incorporate the documentation into program records. Program directors and managers will be prepared to explain the rationale for their selection process at program reviews.

k. Begin the process for choosing between GFE and CFE before submitting the RFP for validation, full-scale development, or production and continue it throughout these phases as additional requirements for equipment are identified. For the validation phase RFP, this process need not be used unless the equipment will significantly affect system design and validation.

l. The acquisition approach decision extends the item selection decision by showing the best way for the government to provide or otherwise acquire the selected equipment so the contractor can integrate it into the system. The acquisition approach must be responsive to the requiring activity's equipment requirements and schedule.

m. When a program/system office needs to acquire equipment for program/system needs, it has four general options:

(1) Equipment can be furnished to the prime contractor as GFE by the responsible Department of Defense (DOD) equipment-buying activity. Examples of buying activities are—

(a) AFSC product divisions, for equipment under development or new equipment to be developed.

(b) AFLC ALCs, for inventory equipment after program management responsibility has been transferred.

(c) Any other DOD equipment-buying activity.

(2) Equipment can be furnished to the prime contractor as GFE as a result of direct contracting actions with equipment contractors by the AFSC program office or AFLC system office. Use this option when the buying activities in 3m(1) above report they cannot provide the equipment needed.

(3) Through the contracting officer, the program/system office can authorize the prime contractor to obtain equipment as CFE. Do not use this option unless options (1) and (2) have been eliminated, based on the GFE and CFE selection analysis.

(4) Government-owned property can be loaned or leased to a contractor. See attachment 10 for policies and procedures for control of military property.

n. When selecting, developing, or acquiring equipment, consider leadtime requirements so equipment will be available in time to meet the program's schedule. To ensure GFE is available, complete AFLC/AFSC Form 8, GFE Availability Request/Acquisition Assessment (atch 3) and establish a GFE acquisition management program (atch 4 and 5).

o. Give GFE/CFE equipment engineering data, such as physical size and mechanical, shielding, and electrical requirements needed for design of facility, to the designer in time to meet program schedule.

p. Contractors must be requested to help carry out the DOD Standardization Program and make best use of existing DOD equipment inventories. They must be requested to challenge equipment required in the RFP if other equipment would be more advantageous to the government.

q. Based on system or equipment configuration, prepare a list of CFE that conforms to the component breakout criteria and guidelines of DAR 1-326, DOD FAR Supplement 17.7202, AFSCR/AFLCR 800-24, and this regulation. Evaluate the CFE annually and consider converting to GFE according to the breakout guidelines (atch 9). For those items to be broken out, consider transferring management responsibility to the AFLC item manager before program management responsibility transfer (PMRT) of the system.

r. When using government-owned equipment as GFP on government contracts follow the guidance in DAR 1-302.1 and DAR Section XIII and FAR 8.001 and DOD FAR Supplement 8.7006-6.

s. Process FMS requirements for GFE support according to this regulation, unless the country requests different processing as specified in AFR 400-3. Then consider using GFE assets to fulfill FMS production and installation requirements on a case-by-case basis, depending on—

(1) The agreement with the individual country.

(2) Whether the FMS weapon system program requires single-vendor integrity.

(3) Other conditions the countries involved have mutually agreed on.

t. AFLC/AFSC Form 8 for security assistance programs must include—

(1) Pertinent portions of the letter of agreement or other document that specifies the logistic support and data the contractor must supply (for example, technical orders (TO), provisioning data, logistic support analysis data).

(2) Statements obtained from HQ USAF/PRI as to whether hardware and supporting data are releasable.

u. Equipment selection must also be considered during the initial stage of program planning.

v. Ensure that GFE and GFM used to meet FMS requirements are properly billed to the FMS country according to AFR 170-3.

#### 4. HQ AFSC Responsibilities. HQ AFSC/SDX will—

a. Be the OPR for all AFSC GFE/CFE policies and procedures. HQ AFSC/SDX must ensure that the product divisions and joint program offices get all management policies and procedures.

b. Approve the preferred items recommended by the product divisions for the AF S/PIL and review all standard items recommended for the AF S/PIL. (ASD-AFALC/AXT must coordinate on all avionics items recommended for the AF S/PIL (AFR 800-28) and ASD/AEGS must coordinate on all SE recommended for the AF S/PIL). HQ AFSC/SDX will—

(1) Jointly with HQ AFLC/MML develop standards, methods, and models to use in the GFE/CFE selection process, monitor how effectively they are carried out, and keep them up to date.

(2) Jointly with HQ AFLC develop and maintain the AF S/PIL.

(3) Ensure AFSC Form 56 tasks the program/system manager to evaluate the use of AF-designated standard items and gives proper guidance for selecting the equipment the system or subsystem requires.

c. Review the annual component breakout report from the product division OPRs to see if the component breakout process has been performed.

#### 5. AFSC Product Divisions and Joint Program Offices Responsibilities. They will—

a. Evaluate and integrate GFE and CFE practices and develop and implement any needed improvements.

b. Develop, update, and maintain the LCC model the program/system office uses to make equipment selection decisions during the GFE and CFE selection process.

c. Submit AFLC/AFSC Form 6, Air Force Standard/Preferred Item List, for items that can be added to the AF S/PIL according to attachment 8.

d. Designate an OPR to exercise overall management responsibility in formulating and maintaining local policies and procedures for selecting and acquiring GFE and CFE. The OPR will--

(1) Advise the program/system office how to tailor the procedures in this regulation and use LCC models suited to the equipment considered in the selection process.

(2) Help tailor the checklists for equipment selection and acquisition approach to ensure relevant technical performance and design aspects of alternate equipment are considered.

(3) Ensure that the PMGFEL and PMCFEL are included in the RFP.

(4) Coordinate with AFALC.

(5) Receive the annual component breakout report from the program offices. Determine if the component breakout reviews are performed adequately and report product division and joint program office activity to HQ AFSC/SDX by September of each year. The report must identify programs for which a breakout review was performed and the review results.

#### 6. AFSC Program Offices and AFLC System Offices Responsibilities:

a. The Program Director and System Manager (PD/SM) will -

(1) Exercise overall management responsibility for selecting, acquiring, and managing equipment to support program/system needs.

(2) Get help in contracting, manufacturing, engineering, comptroller, equipment-buying activities, small business, contract administration office (CAO), and logistics.

(3) Designate a GFE manager or office within the program/system office to carry out the responsibilities in 6b below.

(4) Ensure program system planning and acquisition documentation specifically includes program strategy, criteria, and constraints for selecting, acquiring, and managing equipment.

(5) Ensure the GFE and CFE selection process is used once ME and SE requirements are identified.

(6) Ensure that the tailored GFE and CFE selection process meets program/system requirements.

(7) Ensure available equipment lists and other source documents are screened to identify equipment that is technically appropriate for program/system needs.

(8) Ensure that expected LCC is a principal criterion in the equipment selection process according to AFR 800-11.

NOTE: An LCC analysis for a single implementation of a new standard item may indicate an alternative as more cost-effective due to the limited application of the new item. This could preclude introducing the standard into the inventory and thwart the standardi-

zation effort, since the standard item's cost effectiveness is based on multiple and widespread application. Therefore, newly developed standard items will be used on all programs when specifically directed or when the PD/SM determines they fulfill the technical requirements. This policy will continue for 2 calendar years from the date of PMRT or from first item delivery of an AFLC-developed item.

(9) Ensure that equipment on the MGFEL and MCFEL and any modifications to them are included in the system or subsystem specifications and contract.

(10) Ensure the rationale for all equipment selection decisions throughout the life of the program or system is recorded in program documentation.

(11) Encourage contractors to challenge any recommended equipment when they can show alternate equipment is more advantageous because it supports DOD standardization better and makes better use of existing DOD equipment inventories.

(12) In coordination with the supporting command, review and approve--

(a) The PMGFEL and PMCFEL in the RFP.

(b) The MGFEL and MCFEL in the contract.

(c) All changes to the MGFEL and MCFEL, after contract award, resulting from the contractor's recommendation or the Component Breakout Decision process (DAR 1-316 or DOD FAR Supplement 17.7272).

(13) Ensure purchase requests/military inter-departmental purchase requests (PR/MIPR) are prepared and processed for all developmental and initial operational test and evaluation and all production GFE requirements the program/system office is responsible for funding.

(14) Ensure all Configuration Control Board (CCB) actions that affect the MGFEL and MCFEL are brought to the attention of the GFE manager so the lists can be updated.

(15) Be prepared to present and discuss the rationale for all GFE and CFE selection decisions at program reviews.

(16) Ensure GFE requirements are planned and programmed in the appropriate command's SE budget for congressional approval.

b. The GFE manager will--

(1) Serve as the central point of contact for all GFE and CFE decisions about the program/system, including requests from other program/system offices to expand the use of new development items by using them as GFE in additional programs.

(2) Help the program/system manager prepare GFE and CFE planning documentation.

(3) Tailor the GFE and CFE selection process so it satisfies program/system needs and monitor the process to keep it relevant.

(4) Prepare documentation to substantiate equipment selection and acquisition approach decisions throughout the life of the program.

(5) On behalf of the program/system manager, determine any FMS constraints that may govern the GFE and CFE selection process and any subsequent component breakout decisions (DAR 1-326 or DOD FAR Supplement 17.7202).

(6) Prepare the PMGFEL and PMCFEL for inclusion in the RFP.

(7) Start a preliminary availability assessment.

(8) Prepare and process part I of AFLC/AFSC Form 8.

(9) Assign control numbers to part I of AFLC/AFSC Form 8 and maintain an AFLC/AFSC Form 8 file in the program/system office.

(10) Determine if inventory equipment is available for GFE and ensure it is compatible with the overall program/system schedule.

(11) Require the prime contractor to indicate the quantity and schedule of GFE required. DD Form 610, DOD GFAE Requirement Schedule, (atch 7) may be used for this purpose. Have the cognizant DOD CAO validate the quantity and schedule the contractor has shown on DD Form 610 and send this form to the GFE equipment-buying activity.

(12) Start the preliminary acquisition assessment.

(13) Prepare the MGFELs and MCFELs for inclusion in the contract and, after contract award, keep the lists current. Have copies of the lists (including revisions resulting from contract changes) sent to each ALC/MUCO/MMS for all GFE items. Ensure the NSN is included for each item.

(14) Include requirements for reporting rejections, failures, excesses, and shortages of GFE in the prime contract. DD Form 611, DOD GFAE Shortage, Transaction, Final Status, and DD Form 611-1, DOD GFAE Rejection Failure Data, may be used for this purpose. Ask the contractor to send the NSN, the reparable shipper document, and the replacing requisition to the ALC/MUCO/MMS office, along with any other details about the replacement. The contractor will enter project code "094" in columns 57-59 of the replacing requisition (DAR Appendix H; DOD FAR Supplement Appendix H; and AFM 67-1, vol I, part one).

(15) Confirm that equipment on the MGFEL is available and formally accept it during source selection (before contract award). Reconfirm that equipment on the MGFEL is still available within 30 days after awarding the prime contract.

(16) Schedule component breakout reviews, identify candidate breakout equipment items, assign items to one of the three classification groups, and document the results and the rationale for the decisions. Send the documentation to the product division OPR.

(17) Coordinate with the comptroller to ensure documents for budget and funds transfer are processed promptly to support system or program equipment requirements.

(18) Assign responsibility to appropriate manufacturing personnel to prepare and revise AFLC/AFSC

Form 7, Government Furnished Configuration Item Technical Requirements (atch 6).

(19) Ensure that configuration control, engineering, and manufacturing personnel coordinate with each other when they prepare a new or revised AFLC/AFSC Form 7.

(20) Be responsible for overall processing, monitoring, and filing of AFLC/AFSC Form 7.

(21) Complete part IV of AFLC/AFSC Form 8 to accept or reject existing GFE/GFM assets offered in part II of the form within 30 days if the form is submitted after contract award. If the form from the MUCO shows the item has a nonconsumable item materiel support code (NIMSC) of 5 (managed by another service's primary inventory control activity (PICA)), the program/system office must give the ALC MUCO the AFSC billing activity code and the fund appropriation (see DAR Appendix H; DOD FAR Supplement Appendix H; and AFM 67-1, vol I, part one) so the MUCO can show them on the requisition it prepares. The other service's PICA needs funded requisitions for the NIMSC 5 items it supplies.

(22) Ensure by including as terms of the contract—

(a) That the contractor uses established MILSTRIP procedures to prepare requisitions for government inventory items (DAR Appendix H; DOD FAR Supplement Appendix H; and AFM 67-1, vol I, part one).

(b) That the program/system office gives the contractor the correct signal code (coln 51) and fund codes (colms 52 and 53).

(c) That the contractor enters the last eight digits of the contract number in the supplementary address field or in columns 73-80. If both these fields are filled, show the complete contract number in the "Remarks" block of the requisition. If necessary, mail the requisitions giving these data to the ALC MUCO/MMMS office; otherwise use normal channels according to AFM 67-1, volume III, part eight, chapter 2.

(d) That the contractor's EY requisitions do not use stock fund code of 6H/6C in columns 52 and 53 unless specific arrangements have been made with the program/system office and respective AFLC division manager.

(e) That contractor requisitions to replace rejects show 094 in columns 57-59.

(f) That requisitions for nonreimbursable material show 024 in columns 57-59.

(23) When the MUCO requests, validate requirements for items in the MUCO account so items no longer required can be purged.

(24) When changes affect the GFE delivery schedule, promptly furnish full details to the equipment-buying activity.

(25) With the equipment-buying activity, mutually identify and resolve significant GFE problems.

(26) Ensure that the contract establishes

necessary controls to process GFE shortages and rejects promptly.

(27) With the equipment-buying activity, ensure that excess GFE is disposed of according to contract provisions.

(28) Monitor and process engineering change proposals (ECP) when the system or configuration item specifications change.

(29) When contract changes affect GFE, ensure the contractor submits or revises DD Form 610. If the quantity and schedule requirements shown on the form change, have the cognizant DOD contract administration office validate the changes.

(30) Maintain current records of FMS items for billing purposes.

(31) Maintain records of all equipment requested by or provided to other programs as GFE.

(32) Manage loan assets according to AFM 67-1, volume III, part one, chapter 9, section H.

#### 7. Equipment-Buying Activities Responsibilities. They will—

a. Develop a formal business strategy to find out whether they can buy GFE to meet program/system requirements.

b. Assume total management responsibility for any GFE either assigned to them or accepted for development or acquisition.

c. Respond promptly to the program/system office's GFE Availability Request/Acquisition Assessment.

d. Within 15 days after receiving part I of AFLC/AFSC Form 8, complete part III according to attachment 3 and send it to the program/system office.

e. Ensure a current and accurate AFLC/AFSC Form 7 is on file before contracting for GFE.

f. Ensure the configuration of the acquired GFE agrees with the configuration in AFLC/AFSC Form 7.

g. For equipment, combine production requirements and spares requirements into a single total requirement whenever possible.

h. Ensure that the GFE vendor contracts include all requirements for provisioning, logistic support, engineering data, and program/system data. Also ensure the equipment to be acquired agrees with engineering design data supplied to the facility designer and that the equipment will fit into the facility as designed. If not, then the primary method of accommodating new or changed requirements will be as changes to equipment rather than changes to the facility. Changes to the facility will be accepted only if no reasonable alternative exists.

i. If changes in configuration or the GFE delivery schedule may affect the program/system or its contracts, notify the program/system office promptly.

j. Process material deficiency reports according to TO 00-35D-54 or the provisions of the GFE vendor's contract warranty.

k. With the program/system office, mutually resolve all significant GFE problems.

l. In cooperation with the program/system mana-

ger and contractor, ensure that excess GFE is disposed of according to contract provisions.

m. Process "reject" problems if and when they occur. All contracts must tell what to do if the contractor receives GFE and GFM items that are unacceptable.

#### 8. HQ AFLC Responsibilities:

a. HQ AFLC/MM is the OPR for AFLC GFE/CFE/GFM policy and procedures to support development and production contracts. HQ AFLC/MM ensures that all management policies and procedures are sent out to AFALC, the Aerospace Guidance and Metrology Center (AGMC), the AFLC Cataloging and Standardization Center (CASC), and the ALCs.

b. HQ AFLC/MM will provide guidance and programming data needed to establish support requirements for production and modification programs.

c. HQ AFLC/MM will ensure that AFLC Form 1208 gives guidance for using Air Force Designated Standard Items and for selecting GFE that a system or subsystem requires.

d. AFLC CASC/CBRS is the OPR for the AF S/PIL and is responsible for approving preferred items recommended by the ALCs for the AF S/PIL. (ASD AFALC/AX must coordinate on all avionics items recommended for the AF S/PIL (AFR 800-28) and ASD/AEGS must coordinate on all SE recommended for the AF S/PIL).

e. Jointly with HQ AFSC/SDX, AFLC CASC/CBRS plans, develops, maintains, and issues the AF S/PIL.

f. Using advance planning data from program/system managers, programs funds and budgets to acquire GFE to support future programs.

g. Develops policy for acquiring engineering and technical data for GFE and CFE (AFR 800-34).

#### 9. ALCs Responsibilities:

a. The D/MM (MMM) will—

(1) Establish controls to ensure compliance with this regulation and AFM 67-1, volume III, part one, chapter 9, section H and designate a manager to monitor GFE/GFM operations for the ALC.

(2) Establish controls for processing AFLC/AFSC Form 8 and AFLC/AFSC Form 7.

(3) Ensure that approved GFE items initially requested on AFLC/AFSC Form 8 and formally accepted by the program/system office are placed in MUCO holding accounts to satisfy program/system requirements.

(4) With help from engineers and the program/system office, ensure that any available assets meet the technical requirements of the specifications and of the system being developed or modified.

(5) Inform the program/system manager of all configuration changes.

b. The MUCO will—

(1) Receive all AFLC/AFSC Forms 8 from the program/system office and establish a file folder that will contain all pertinent data for each item.



(2) Assign control numbers and establish a control system for forms and send the forms to the item manager specialist (IMS) for necessary action.

(3) When required, ask the Defense Property Disposal Service or other services about availability and acquisition assessment.

(4) After the IMS has completed AFLC/AFSC Form 8, review them for completeness, update files, sign the forms, and send them to the program/system office.

(5) On receiving the program/system office's acceptance of available serviceable or repairable assets:

(a) After the program/system office has submitted AF Form 185, Project Order, notify the IMS to adjust the Management of Items Subject to Repair (MISTR) Schedule to meet the program's requirements. Have the repaired assets placed in the MUCO account and keep the program/system office informed. Notify the Maintenance Modification Branch (MMMM) office when equipment is repaired and shipped so they can have Financial Accounting bill it.

(b) Prepare MILSTRIP requisitions, using the MUCO account number, and send them to the proper supply source to get available assets. Hold assets in the MUCO account until the program/system office or contractor sends shipping instructions. (If assets are available from another service's PICA, the program/system office must give the MUCO fund codes for the requisition so that it can be billed properly.)

(c) For assets obligated for use as GFE, will not release them for any other purpose without the requiring activity's permission.

(6) After the program/system office accepts an offer, and the ALC takes the necessary supply action, tell the program/system office the status of each item, including the quantity available, repair status, location of assets, etc.

(7) Receive and process or reject requisitions from the program/system office or the contractor. If assets (total or partial) are not available or cannot be shipped as required, advise the program/system office or contractor. The MUCO will receive, store, and account for GFE items that the production contractor cannot accept.

(8) Not normally store repairable assets in the MUCO account.

(9) Semiannually, validate the GFE in the MUCO account with the program/system office. If the office no longer requires assets, the MUCO gets disposition instructions from the applicable IMS.

(10) Coordinate on all PRs/MIPRs to ensure that releasable assets are used before acquiring more.

c. The Inventory Management Division (MMI) will—

(1) Receive from the MUCO and process AFLC/AFSC Form 8 for both preliminary and final program requirements. Maintain necessary historical records and return forms through the MUCO to the program/system office. If an item requested on the AFLC/AFSC Form 8 is managed by another service's

PICA, call or send a message to the PICA for data to complete the form. Ensure that the form indicates whether the item is free or whether AFSC must reimburse for it.

(2) Prepare and submit through the MUCO amended parts II and III of AFLC/AFSC Form 8 when information in previous documents is no longer valid.

(3) On receiving the PR/MIPR, reverify requirements and assets, then coordinate.

(4) Prepare and process PRs/MIPRs for all spares that AFLC funds to support the new programmed requirements, including provisioning and engineering data to select repair parts. If necessary, begin an advance PR and process as required. When provisioning data are not necessary to support the acquisition, ensure that the appropriate AFLC logistics data system begins functioning early enough to provide repair parts at all authorized levels of maintenance.

(5) When a PR is for the next fiscal year's replenishment spares, mark it "advance PR" and send it to the accounting and finance division (ALC/ACFS). Send copies of these PRs to the due-in asset activity so they can be entered into the due-in asset system (JO-41).

(6) Provide the standard item support required for installed GFE items during development, test and evaluation (AFR 67-19).

(7) In processing and coordinating PRs/MIPRs, send the program/system manager's monthly delivery schedule showing numbers of items needed for kits, SE, and spares (AFSCR/AFLCR 57-7).

(8) Supply the TOs or the work packages for repairing or overhauling items. Requisition TOs according to TO-00-5-2, section VI.

(9) Process EY requisitions from weapon system contractors or program/system offices. Ensure that columns 51, 52, and 53 of each requisition contain correct codes for either billing or free issue.

(10) Revise MISTR schedules as required to make assets available when production contractors need them.

(11) Process MUCO requisitions for available items and budget for items that the program/system office formally accepts but which AFLC is responsible for funding.

(12) With the aid of the equipment specialist and technicians, select items for the AF S/PIL. Prepare and submit AFLC/AFSC Form 6 for those items.

(13) When other government organizations manage items, and the Air Force is not currently listed as a user, ensure that these items are put in the Air Force system and Air Force is listed as a user.

d. The AFLC PR/MIPR Control Office will—

(1) Receive PRs/MIPRs and establish controls over them.

(2) Ensure they are processed according to AFSCR/AFLCR 57-7.

**10. AFALC Responsibilities.** The responsibilities of AFALC include planning early support; improving availability; supportability, and readiness; reducing LCC; maintaining an LCC track record; improving methodologies for system support and acquisition; emphasizing logistics objectives in business strategy; providing operational experience; and improving interfaces among AFSC, AFLC, and using commands. Specific support is available, throughout the item selection and GFE versus CFE acquisition process, to help realize these and other goals.

a. AFALC/LW, Deputy for Strategic, Missiles, Space, Electronics and Armament Programs, and AFALC/SD, Deputy for Aeronautical Programs, will—

(1) Ensure the AFLC system managers get copies of PRs and correspondence about GFE problems for the assigned system.

(2) Keep the subsystem program managers (AFLC IMSs and MUCOs) informed about subsystems support.

(3) Be AFLC's focal point for the subsystem program managers.

(4) Help the system managers with logistics considerations in subsystem actions.

(5) Identify IMS, system manager, and technology repair center support needed, including support of test programs.

(6) Keep the IMS, MUCO, and system manager informed about major logistics problems.

(7) Help the system manager with logistics, including actions of the CCB, engineering reviews, LSAR, technical assistance with logistics, and review of applicable contract actions.

b. AFALC/PT, Deputy for Engineering and Test Evaluation, will maintain a lessons learned data bank; provide tailored lessons learned packages to program/system offices, ALCs, or other GFE/CFE screeners on request; and help apply the lessons.

**11. AFPROs/Cognizant Contract Administration Offices Responsibilities.** They will—

a. Validate quantities of GFE the contractor requests on DD Forms 610.

b. Verify schedule setbacks from on-deck dates to installation dates.

c. Verify the contractor's proposed time of installation is the best time to install GFE.

d. Recommend whether local repair should be authorized and what repair capability will be required.

e. Monitor and validate contractor submission of DD Form 611 periodic and final status reports that show receipts and on-hand quantities of GFE as called for on DD Form 610 requirements documents.

f. Ensure that the proper disposition is made of any excess GFE during the performance of and after completion of a contract.

#### OFFICIAL

FREDERICK P. HALLSWORTH, Colonel, USAF  
Director of Administration

ABBIE G. CAYWOOD, Lt Col, USAF  
Director of Administration

#### SUMMARY OF CHANGES

This revision adds component breakout policy and procedures, adds loan and lease policy and procedures, updates S/PIL strategy, clarifies policy and procedures for using AFLC/AFSC Form 8, and generally clarifies GFE and CFE selection and management procedures.

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Commander

### GFE/CFE LIFE-CYCLE COST (LCC) MODEL

**1. General Introduction.** This attachment describes a way to compare LCCs for equipment. By definition, the LCC of equipment is the total cost of developing it, acquiring it, and owning it over its full life. To be meaningful, LCC must be presented in terms of the cost elements included, the period of time covered, and the assumptions and conditions imposed.

a. The following LCC analysis is a simplified approach and provides, at best, a "figure of merit." The analysis is designed to give the program/system office maximum flexibility. It is a way to choose between two or more items of equipment on the basis of cost.

b. The costs in the model must meet the following criteria:

(1) They must be relevant. For example, when existing equipment (standard item, inventory or commercial item) is compared with a new development or modification effort, the cost of developing the existing equipment is usually considered "sunk"; it would not be included as a relevant cost of the existing equipment.

(2) They must be significant. The amount of a cost element, in absolute dollars, must be large enough to matter. For example, on a multimillion-dollar acquisition program, elements that cost hundreds or thousands of dollars might not be considered significant.

c. The sum of all elements in the model must represent the expected LCC requested on the item selection checklist (atch 2, para 6).

d. Use judgment in deciding which cost elements to include in each analysis and in making estimates for the elements' costs. For example, when actual values are not known, get knowledgeable estimates and compare them to known values. If a particular cost element doesn't seem both significant and relevant, don't include it.

e. This LCC model can be programmed for handheld calculators. (You can get a copy of the "TI-59 Handheld Calculator LCC Model User's Handbook" from Directorate of Cost Analysis, Comptroller, ASD, Wright-Patterson AFB OH 45433.)

### 2. Approach to Model:

a. Read this attachment to become familiar with the material.

b. Separate the LCC analysis worksheet (fig A1-1), the data collection worksheet (fig A1-2), and the list of standard parameter values (fig A1-3).

c. Note the LCC worksheet is designed to follow the cost equations in paragraph 3.

d. Complete the data collection worksheet using actual values or estimates.

e. Calculate the cost using the data in the data collection worksheet and the list of standard parameter values.

f. Complete the LCC worksheet to determine the figure of merit.

g. Update the analysis when new data or alternatives become available and item selection decisions are required.

### 3. Determining LCC. The following procedures tell how to determine each cost element on the LCC analysis worksheet:

**a. Research and Development Cost ( $C_1$ ).** Use one of the following:

—Development cost (parametric type) model, such as the RCA PRICE Model.

—Bid/quote.

—Estimate based on cost of similar equipment (analogy method).

—Independent cost estimate.

**b. Total Acquisition Cost ( $C_2$ ).** Sum the costs for System Investment ( $C_{2.1}$ ) and Support Investment ( $C_{2.2}$ ).

(1) System Investment Cost ( $C_{2.1}$ ). Use one of the following:

—Acquisition Cost, Model, such as the RCA PRICE Model.

—Catalog price.

—Bid/quote.

—Analogous equipment.

—Independent cost estimate.

(2) Support Investment Cost ( $C_{2.2}$ ). Sum the costs for Support Equipment ( $C_{2.2.1}$ ), Initial Base Spares ( $C_{2.2.2}$ ), and Initial Depot Spares ( $C_{2.2.3}$ ).

(a) Support Equipment Cost ( $C_{2.2.1}$ ). Use one of the following:

—Catalog price.

—Bid/quote.

—Estimate based on cost of similar equipment (analogy method).

—Percentage of System Investment Cost ( $C_{2.1}$ ) — (FACTOR).

(b) Initial Base Spares Cost ( $C_{2.2.2}$ ):

Use  $C_{2.2.2} = (UC)(STK)(M)$

UC = Unit cost of the equipment as a spare.

M = Number of operating bases where spare equipment is stocked.

STK = The number of spares required for each base to fill the base repair pipeline, including a safety stock to protect against random fluctuations in demand.

$$STK = \left[ \frac{(POH)}{(M) \times (MTBR)} \right] (t) + 1.5 \times \sqrt{\left( \frac{(POH)}{(M) \times (MTBR)} \right)} (t)$$

Where POH = Expected operating hours for one month during the peak-usage period for the total equipment population.

MTBR = Mean unit operating hours between removals. Equivalent to MTBF if there are no repair-in-place actions.

t = Weighted pipeline time in months.

t = [(RTS) × (BRCT)] + [(NRTS) × (OST)]

RTS = Repairable at base.

BRCT = Time in months for an item repaired at the base, from removal of the item until it is returned to serviceable stock (Given).\*

NRTS = Not repairable at base.

OST = Order and Shipping Time (Given).

(c) Initial Depot Spares Cost (C<sub>2.2.3</sub>):

$$\text{Use } C_{2.2.3} = \frac{(POH) \times (NRTS) \times (DRCT) \times (UC)}{(MTBR)}$$

Where DRCT = Time in months, from removal of the item until it is returned to serviceable stock. This includes the time required for transportation and handling from base to depot, and the shop-flow time to repair the item within the technology repair center (Given).

c. Ownership Cost (C<sub>3</sub>): Sum the costs for—

- Base Maintenance Manpower (C<sub>3.1</sub>)
- Base Maintenance Material (C<sub>3.2</sub>)
- Depot Maintenance Manpower (C<sub>3.3</sub>)
- Depot Maintenance Material (C<sub>3.4</sub>)
- Second-Destination Transportation (C<sub>3.5</sub>)
- Replenishment Spares (C<sub>3.6</sub>)
- Inventory Management (C<sub>3.7</sub>)

(1) Base Maintenance Manpower Cost (C<sub>3.1</sub>):

$$\text{Use } C_{3.1} = \frac{(TOH)}{(MTBR)} \times [PAMH + RMH + BCMH + (RTS) \times (BMH)] \times (BLR) + \frac{(TOH)}{SMI} \times (SMH) \times (BLR)$$

The first term is the work-hour labor cost to do maintenance due to unscheduled failures over the system's life at base. The second term is the work-hour labor cost to do scheduled maintenance on the equipment.

Where TOH = Total operating hours for all equipment over the life cycle.

PAMH = Average work-hours spent preparing and getting access to the installed system; for example, jacking, unbuttoning, removing other units, etc.

RMH = Average work-hours for replacing an item. Includes work-hours to troubleshoot; remove, replace the equipment; and operationally check newly installed equipment.

BCMH = Average work-hours to benchcheck the equipment in the base-level shop before repair.

BMH = Average work-hours to do base-shop maintenance on equipment that has been removed, including fault isolation, repair, and verification.

BLR = Base Labor Rate (Given).

SMI = Operating-hour interval between scheduled periodic or phased inspections on the equipment.

SMH = Average work-hours to do a scheduled periodic or phased inspection on the equipment.

(2) Base Maintenance Material Cost (C<sub>3.2</sub>):

$$\text{Use } C_{3.2} = \frac{(TOH) \times (RTS) \times (UC) \times (BMC)}{(MTBR)}$$

Where BMC = Average cost per base-shop repair expressed as a fraction of a UC. Includes the cost of expendable materials consumed in repair, plus the labor, material, and stockage cost of lower-indenture repairable components or subassemblies.

(3) Depot Maintenance Manpower Cost (C<sub>3.3</sub>):

$$\text{Use } C_{3.3} = \frac{(TOH) \times (NRTS) \times (DMH) \times (DLR)}{(MTBR)}$$

\*When a variable definition is followed by "Given," the value of this variable is a government-furnished standard value (see fig A1-3). Use actual values, however, if they are known.

Where DMH = Average work-hours to perform depot maintenance on removed equipment, including fault isolation, repair, verification, or condemnation.

DLR = Depot Labor Rate (Given).

(4) Depot Maintenance Material Cost ( $C_{3,4}$ ):

$$\text{Use } C_{3,4} = \frac{(\text{TOH}) \times (\text{NRTS-COND}) \times (\text{DMC}) \times (\text{UC})}{(\text{MTBR})}$$

Where DMC = Average cost per depot repair expressed as a fraction of a UC. Includes the cost of expendable materials consumed in repair, plus the labor, material, and stockage cost of lower-indenture reparable components or subassemblies.

COND = Fraction of removals when the equipment is subsequently condemned. NRTS-COND (see definition of NRTS).

(5) Second-Destination Transportation Cost ( $C_{3,5}$ ):

$$\text{Use } C_{3,5} = \frac{(\text{TOH})}{(\text{MTBR})} \times [2 \times (\text{NRTS})] \times (\text{PSC}) \times (1.35) \times (\text{W})$$

This equation includes the cost of round-trip transportation for equipment sent to depot for repair or condemnation. The 1.35 factor is the ratio of packed to unpacked weight.

Where PSC = Average packing and shipping cost to CONUS locations (Given).

W = Weight of equipment in pounds (lbs).

(6) Replenishment Spares Cost ( $C_{3,6}$ ):

$$\text{Use } C_{3,6} = \frac{(\text{TOH}) \times (\text{COND}) \times (\text{UC})}{(\text{MTBR})}$$

(7) Inventory Management Cost ( $C_{3,7}$ ):

$$\text{Use } C_{3,7} = [\text{IMC} + \{(\text{PIUP} \times (\text{RMC}))\}] \times (\text{PA} + \text{PP} + 1) + (\text{M}) \times (\text{SA}) \times (\text{PIUP}) \times (\text{PA} + \text{PP} + 1)$$

The first term is the cost to enter new line items into the government's supply inventory and manage them over the life of the system. The second item is the life-cycle base-level supply-management cost of this new equipment.

Where IMC = Initial management cost to introduce a new line item of supply (assembly or piece part) into the wholesale inventory (Given).

PIUP = Operational service life of the equipment in years.

RMC = Recurring management cost to maintain a line item of supply (assembly or piece part) in the wholesale inventory (Given).

PA = Number of new "P"-coded reparable assemblies within the equipment

PP = Number of new "P"-coded consumables within the equipment.

SA = Annual inventory-management cost for line items in base supply (Given).

**d. Life-Cycle Cost.** Sum the costs of Research and Development ( $C_1$ ), Total Acquisition ( $C_2$ ), and Ownership ( $C_3$ ).

COST ELEMENTS	COST
RESEARCH AND DEVELOPMENT	TOTAL RESEARCH AND DEVELOPMENT COST = $C_1$ <input type="checkbox"/>
ACQUISITION	
SYSTEM INVESTMENT	$C_{2.1} =$ <input type="checkbox"/>
SUPPORT INVESTMENT	
SUPPORT EQUIPMENT $C_{2.2.1} =$	<input type="checkbox"/>
INITIAL BASE SPARES $C_{2.2.2} =$	<input type="checkbox"/>
INITIAL DEPOT SPARES $C_{2.2.3} =$	<input type="checkbox"/>
$C_{2.2} = C_{2.2.1} + C_{2.2.2} + C_{2.2.3} =$	<input type="checkbox"/>
TOTAL ACQUISITION COST = $C_2 = C_{2.1} + C_{2.2} =$	<input type="checkbox"/>
OWNERSHIP	
BASE MAINTENANCE MANPOWER	$C_{3.1} =$ <input type="checkbox"/>
BASE MAINTENANCE MATERIAL	$C_{3.2} =$ <input type="checkbox"/>
DEPOT MAINTENANCE MANPOWER	$C_{3.3} =$ <input type="checkbox"/>
DEPOT MAINTENANCE MATERIAL	$C_{3.4} =$ <input type="checkbox"/>
SECOND-DESTINATION TRANSPORTATION	$C_{3.5} =$ <input type="checkbox"/>
REPLENISHMENT SPARES	$C_{3.6} =$ <input type="checkbox"/>
INVENTORY MANAGEMENT	$C_{3.7} =$ <input type="checkbox"/>
TOTAL OWNERSHIP COST = $C_3 = C_{3.1} + C_{3.2} + C_{3.3} + C_{3.4} + C_{3.5} + C_{3.6} + C_{3.7} =$	<input type="checkbox"/>
LIFE-CYCLE COST =	$C_1 + C_2 + C_3 =$ <input type="checkbox"/>

Figure A1-1. Life-Cycle Cost Analysis Worksheet.

VARIABLE NAME	UNITS	VALUE*			DEFINITION
		A	B	C	
UC	\$/SPARE				UNIT COST OF THE EQUIPMENT AS A SPARE
M	—				NUMBER OF OPERATING BASES
POH	PEAK HOURS/MONTH				PEAK OPERATING HOURS PER MONTH
MTBR	HOURS				MEAN TIME BETWEEN REMOVAL
TOH	TOTAL HOURS				TOTAL OPERATING HOURS OVER ENTIRE LIFE-CYCLE PERIOD
NRTS	FRACTION				NOT REPARABLE AT BASE
RTS	FRACTION				REPARABLE AT BASE (NRTS + RTS = 1)
PAMH	HOURS				PREPARATION AND ACCESS WORK-HOURS
RMH	HOURS				REPLACEMENT WORK-HOURS
SMI	HOURS				SCHEDULED MAINTENANCE INTERVAL
BCMh	HOURS				BENCHCHECK WORK-HOURS
BMH	HOURS				BASE MAINTENANCE WORK-HOURS
BMC	FRACTION OF UC				BASE MATERIAL COST PER BASE REPAIR
DMH	HOURS				DEPOT MAINTENANCE WORK-HOURS
DMC	FRACTION OF UC				DEPOT MAINTENANCE COST PER DEPOT REPAIR
W	POUNDS				WEIGHT OF EQUIPMENT
COND	FRACTION				CONDEMNATION RATE
PIUP	YEARS				OPERATIONAL SERVICE LIFE
PA	—				NEW REPARABLE "P"-CODED ITEMS
PP	—				NEW CONSUMABLE "P"-CODED ITEMS
SMH	HOURS				SCHEDULED MAINTENANCE WORK-HOURS
*Use Columns A, B, and C to record the values of the named variables for each alternative being considered.					

Figure A1-2. Data Collection Worksheet.

PARAMETER	UNITS	VALUE*	DEFINITION
BRCT	MONTHS	AVIONIC EQUIPMENT = 0.20 OTHER NON-MODULAR EQUIPMENT = 0.33	BASE REPAIR CYCLE TIME
OST	MONTHS	0.394	ORDER AND SHIPPING TIME
DRCT	MONTHS	1.35	DEPOT REPAIR CYCLE TIME
BLR	\$/WORK-HOURS	13.03	BASE LABOR RATE
DLR	\$/WORK-HOURS	18.05	DEPOT LABOR RATE
PSC	\$/POUND	0.59	PACKING AND SHIPPING COST
SA	\$/ITEM/YEAR	36.59	BASE SUPPLY INVENTORY COST
IMC	\$/ITEM	46.60	INITIAL MANAGEMENT COST
RMC	\$/ITEM/YEAR	104.20	RECURRING MANAGEMENT COST
*The values listed above are 1976 values and are subject to change. Contact AFLC/AC for the latest values.			

Figure A1-3. List of Standard Parameter Values.



## GFE/CFE SELECTION PROCESS

**1. Purpose of This Attachment.** This attachment tells how to plan and manage GFE, select the equipment, determine the acquisition approach (GFE or CFE), and document this selection process. The goal is to select and acquire equipment in a way that is most advantageous to the government.

### **2. Selecting Equipment:**

**a. Item Selection.** The item selection process generally parallels the source selection process. Evaluate each item according to the checklist in figure A2-2. Weight the questions in terms of system or program needs. Tabulate the answers in a summary worksheet (fig A2-3) and use the results to select the items that are most appropriate to meet system or program needs.

**b. Acquisition Method.** After selecting items and completing the preliminary availability and acquisition analyses (paras 3b(2)(a)-(b) and atch 4 and 5), then determine the more advantageous acquisition method, GFE or CFE. This is a qualitative assessment that can be made with the help of questions in paragraph 6: identify key issues involving GFE or CFE, and develop an objective way to assess the GFE or CFE decision.

**3. GFE/CFE Process, Precontract Phase.** Figure A2-1 outlines the process, starting at the end of the conceptual phase during the preparation of the SOW and RFP for the follow-on demonstration and validation phase. The process may be applied to more than one conceptual design approach because competing categories of systems or equipment may be contending for demonstration and validation. The GFE/CFE lists will also change as the definition of the system design evolves from phase to phase.

**a. Program Requirements/Planning Analysis (Block 1).** Review the program direction for special guidance about systems engineering or configuration management. Resulting needs for GFE, guidance, and constraints will be set in these areas and program/system offices will address them in planning documents. This function includes the following subfunctions:

(1) Identify equipment needs. AFSC Form 56 gives management guidance and describes deviations from or amplification to accepted practices for system standardization, configuration management, LCC, and integrated logistics support. When appropriate, it also documents any systems engineering efforts needed to optimize system performance parameters and configuration. Analyze all this information to see how it affects equipment selection. To identify needed SE analyze the following:

- (a) Mission tasks and characteristics.
- (b) System design concept.
- (c) Operation and maintenance concept.
- (d) Logistic support analysis, MIL-STD-

1388-(1A)(2A).

(e) Support Equipment Plan, DI-A-6102A.

(2) Formalize equipment management planning. In the Program Management Plan (sections 4 and 13), document formal equipment management planning and fulfill constraints. This planning will describe the system's major equipment and the acquisition approach (GFE or CFE). Planning documents will support the objectives of the Defense Standardization Program. When possible, specify items that are amenable to component breakout per DAR 1-326 and DOD FAR Supplement 17.7202 and give the approximate breakout date.

(3) Tailor the GFE/CFE decision to the program's equipment needs. Program management may also require special actions in such areas as design to cost, LCCs, logistics, and test. Use any unique program requirements to modify the GFE/CFE selection process in paragraphs 4-6 and figure A2-2.

**b. Item Selection Process (Block 2).** Now start the item selection process. The purpose of the process is to systematically choose items from available equipment lists that best fulfill government requirements. The process includes the following functions:

(1) Equipment List Screening (Block 2A). Review the AF S/PIL and all other available lists of equipment (commercial catalogs; AF Avionics Planning Baseline; MIL-HDBK 300, Technical Information File of Ground Support Equipment, etc). In this initial screening, eliminate all classes of equipment that are not relevant to program requirements (for example, tires for an airborne radar program). This screening process should yield items that can potentially meet program needs and that warrant further examination before the final items are chosen. Screening may show that several items could fulfill one function or requirement.

(2) Preliminary Equipment Selection Decision (Block 2B). Analyze items according to paragraph 4. Complete item selection by deciding technical appropriateness of equipment alternatives.

(a) GFE Availability Request/Acquisition Assessment (Block 2c). For items that warrant further examination, perform preliminary availability and acquisition analyses (submit an AFLC/AFSC Form 8 according to atch 3) to get additional information before doing the rest of the item selection process. The availability analysis shows whether existing government assets can be made available (releasable) or acquired as GFE, and the related costs, lead times, etc., for inventory assets. For inventory items AFLC does not have, cannot get, or does not manage, send a copy of the same AFLC/AFSC Form 8 to the GFE program/system office or equipment-buying activity. The activity will do an acquisition analysis to find out whether it can buy the item as well as to establish the associated costs, lead times, data requirements, etc. The activity will do this analysis according to attachments 3, 4, and 5.

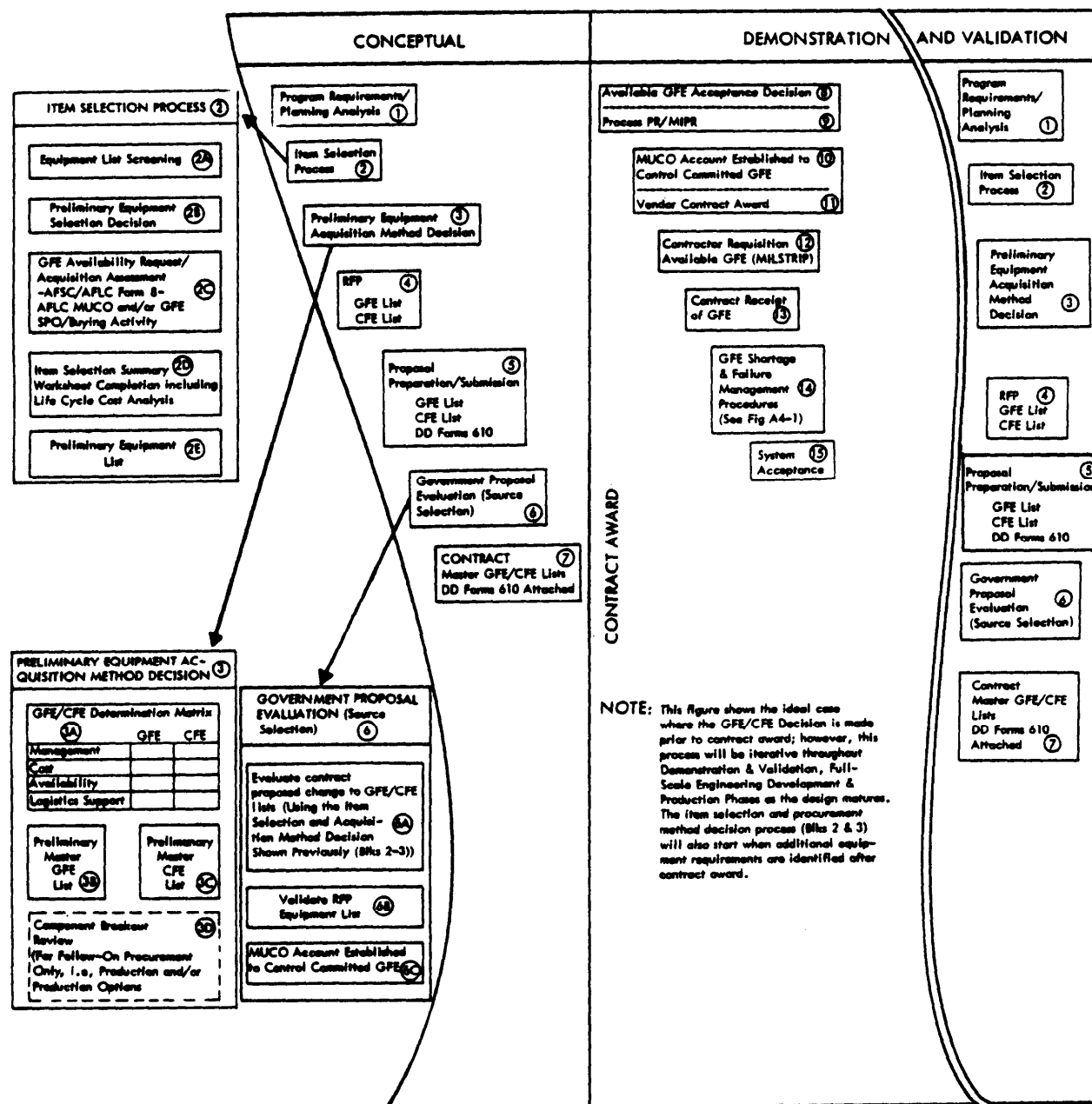


Figure A2-1. Equipment Selection and Acquisition Process.

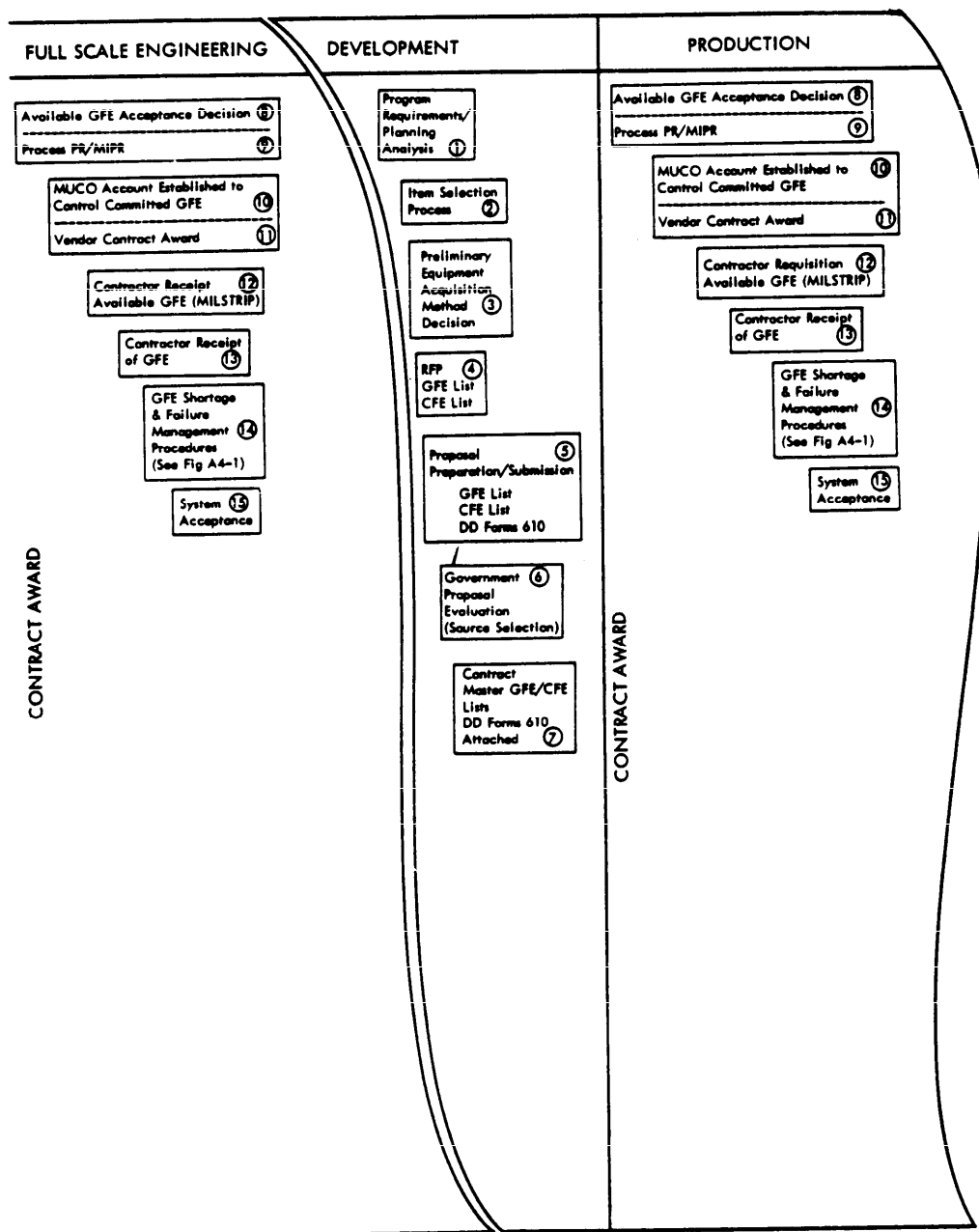


Figure A2-1. Continued.

SCORE	TECHNICAL
_____	Has the item previously been qualified to meet its intended application? If not, what qualification testing will it require?
_____	Are there test data for each of the following—reliability and maintainability (R&M), survivability, vulnerability, human factors? Is the availability of these test data critical to the program's/system's schedule?
_____	Is the item compatible with the program's/system's environmental conditions (corrosion, humidity, temperature, shock, vibration, etc.)?
_____	For an inventory item, what is its current physical condition? Will it satisfy the requirements of its product specification?
_____	Must the item be modified for its intended use?
_____	Does the item or its test equipment require software? Will modifying the item require changing the software?
_____	Is the item approaching technological obsolescence? Is technological obsolescence significant for program/system requirements?
_____	For inventory assets, is the specification current?
_____	Does the item meet program/system safety requirements?
_____	Does the item require a standard interface?
_____	Is the item compatible with the program/system interface requirements?
_____	Is the item compatible with standard interfaces?
_____	Are there historical data available on the equipment (MTBF, MTTR)?
_____	If the item were selected as part of the program/system, how would it affect the program's/system's preventive maintenance time?
_____	How would the item affect program/system MTBM?
_____	Are the item's physical dimensions and weights within the constraints the program/system imposes?
_____	Is the item's configuration stable or is it subject to high change activity (for example, ECPs, TCTOs, modifications)? Will changes be consistent with program/system requirements?
_____	Does the government own reprourement data for the item?
_____	Does the item require special test or support equipment? If so, is it available?
_____	Is the item currently used in (or forecast for use in) other programs/systems in its present or modified condition? If so, would a joint acquisition of the item save money?
_____	Can the item be bought in large enough quantities to acceptable quality-assurance standards? Are extremely tight tolerances required during manufacture?
_____	For an item available in inventory, who has overhauled it? Was it overhauled to TOs or specifications?
_____	Does the state of the art dictate whether to develop a new item or use an existing or modified item?

Figure A2-2. Item Selection Checklist.

_____	Does the item have growth potential to increase capability or performance by making modifications?
_____	Where an item's reliability was established by AFR 66-1, what environmental conditions was the item subjected to when the data were gathered? Will the new environment be similar?
_____	Is there enough technical documentation to redefine the item's functional and physical characteristics? If so, is the documentation current and approved?
	<b>SCHEDULE</b>
_____	Is the inventory item available to meet the program/system schedule?
_____	If the item must be modified, can it be modified in time to meet the master program/system schedule?
_____	Can the commercial item be bought in time to meet the program/system schedule?
_____	What is the delivery schedule for SE? Does it meet prime-item delivery?
_____	Can a new item be developed in time to meet the program/system schedule?
	<b>LOGISTICS SUPPORT</b>
_____	Does the item present any special transportation, handling, or storage problems? If so, are they peculiar to the item or normal for the item's class of equipment?
_____	Will personnel need additional training to operate or maintain the item?
_____	If the item requires modification, who will modify it?

Figure A2-2. Continued.

ACQUISITION #:				
ITEM FUNCTION:				
ITEM(S) NOMENCLATURE:				
EVALUATOR:				
DATE:				
ASSIGN CATEGORY WEIGHTS: *				
TECHNICAL	_____			
SCHEDULE	_____			
LOGISTICS	_____	TOTAL 100 POINTS		
SUPPORT	_____			
COST	_____			
CATEGORY: TECHNICAL				
CHECKLIST SCORE		ITEM A	ITEM B	ITEM N
1.				
2.				
3.				
4.				
ITEM SCORE		_____	_____	_____
TOTAL MAXIMUM SCORE POSSIBLE				
CATEGORY: SCHEDULE				
CHECKLIST SCORE *		ITEM A	ITEM B	ITEM N
1.				
2.				
3.				
4.				
ITEM SCORE		_____	_____	_____
TOTAL MAXIMUM SCORE POSSIBLE				
CATEGORY: LOGISTICS SUPPORT				
CHECKLIST SCORE		ITEM A	ITEM B	ITEM N
1.				
2.				
3.				
4.				
ITEM SCORE		_____	_____	_____
TOTAL MAXIMUM SCORE POSSIBLE				
CATEGORY: COST				
CHECKLIST SCORE		ITEM A	ITEM B	ITEM N
1.				
2.				
3.				
4.				
ITEM SCORE		_____	_____	_____
TOTAL MAXIMUM SCORE POSSIBLE				

Figure A2-3. Item Selection Summary Worksheet.

## CATEGORY: SCORE DETERMINATION

$$\text{WEIGHTED SCORE (WS)} = \frac{\text{TOTAL ITEM SCORE}}{\text{TOTAL MAX SCORE}} \times \text{CATEGORY WEIGHTING}$$

CATEGORY	ITEM A	ITEM B	ITEM N
TECHNICAL	WS	WS	WS
SCHEDULE	WS	WS	WS
SUPPORT	WS	WS	WS
COST	WS	WS	WS
	TOTAL	TOTAL	TOTAL

\*The weights assigned to each category must be commensurate with individual program/system and life-cycle cost objectives.

ITEM SELECTED:

EVALUATOR COMMENTS:

Figure A2-3. Continued.

(b) Item Selection Summary Worksheet Completion, Including LCC Analysis (Block 2D). The program/system office must then analyze the remaining items in the item-selection process. This includes doing an LCC analysis (atch 1) and completing an item selection summary worksheet using the item selection checklist.

(3) Preliminary Equipment List (Block 2E). Document the items selected for acquisition.

**c. Preliminary Equipment Acquisition Method Decision (Block 3).** In deciding how to acquire the equipment, determine which acquisition method (GFE or CFE) is more beneficial to the government.

(1) GFE/CFE Determination Matrix (Block 3A). Use the checklist and matrix in paragraph 5 and figure A2-3.

(2) PMGFEL (Block 3B). The government will furnish the equipment on the PMGFEL. AFSCR/AFLCR 800-24, figure 6-2, gives one possible format for this list. This format is not mandatory, but the PMGFEL must at least specify the NSN nomenclature, quantity per system, type of installation (contractor or government), and estimated unit price.

(3) PMCFEL (Block 3C). The PMCFEL shows items selected for the system that should be CFE because it is more beneficial to the government. The format for this list should be similar to that for the PMGFEL.

**d. Component Breakout Review (Block 3D):**

(1) Breakout Review. Review all CFE items, including those on the MCFEL, periodically to determine if they should be converted to GFE. Conduct this review at least annually before preparing the budget or before each successive acquisition. Four actions are required to "break out" an item from CFE to GFE.

(a) Review the MCFEL to identify items that may be suitable for "breaking out."

(b) Analyze these items by the component

breakout guidelines in DAR 1-326, DOD FAR Supplement 17.7202, and attachment 9.

(c) Review the checklist questions (para 6 below) to ensure they are relevant to the acquisition. Revise the checklist questions to reflect changes to program requirements.

(d) Analyze these items according to 3c above and paragraph 5.

(2) Document as breakout items those items that follow the guidelines and satisfy the assessment.

(3) Revise the MGFEL and MCFEL so they show all approved contractor recommendations and component breakout actions. When appropriate, include these lists as part of amended or new contracts. Send copies of revised MGFELs to each ALC MUCO office.

**e. RFP (Block 4).** The PMGFEL and PMCFEL must be included in the RFP. However, the RFP must also request an alternate price quotation, assuming the contractor were to furnish the equipment on the GFE list. This provides current cost data to refine the acquisition method decision. The program/system office must also include DOD Data Item DI-P-6162A and DD Form 610 in the RFP under "Contract Data Requirements List" (atch 7). The RFP solicitation instructions should give the contractor flexibility to propose modifying either list whenever internal analysis shows an advantage to the government. Contractors must document the rationale for changes in the proposals they submit.

**f. Proposal Preparation/Submission (Block 5).** In preparing proposals, the contractor must review and comment on the PMGFEL and PMCFEL. The contractor's documentation will contain at least the information presented in the PMGFEL and the PMCFEL. The contractor's proposal must include substantiating information that will help the government evaluate the GFE/CFE proposals.

**g. Government Proposal Evaluation (Source Selection) (Block 6).** In reviewing proposals, the government will review the contractor's proposed changes to the PMGFEL and PMCFEL.

(1) Evaluate contractor-proposed changes to GFE and CFE lists (Block 6A). The contractor can propose alternate GFE and CFE for the government to consider. When a contractor submits an alternate GFE/CFE proposal, the government analyzes contractor-proposed changes to the RFP equipment lists. First the government thoroughly reviews the contractor's rationale. Analyze the deviations the contractor proposes against the government's approach in the RFP equipment lists, using the same method as for the original item selection and acquisition method decisions (blocks 2 and 3). Based on this analysis, incorporate approved item selection and acquisition approach changes to the MGFEL and MCFEL (block 7).

(2) Validate RFP Equipment Lists (Block 6B). After evaluating any contractor-proposed changes to the PMGFEL, the program/system office will ensure that the RFP equipment lists are current, accurate, and ready for entry into the MGFEL and MCFEL. Because the program/system office must include these lists in the contract, the lists must give enough information for planning, funding, and acquiring equipment for system integration. Reconfirm the availability of items on the MGFEL and send a formal acceptance letter or message to the ALC MUCO before awarding the contract.

(3) MUCO Account Established to Control Committed GFE (Block 6C). On receiving the acceptance letter, the ALC MUCO places the items in a MUCO account to ensure the program/system office's requirements can be met.

**h. Contract Award (Block 7).** The MGFEL and MCFEL must be included in the system/subsystem contract. Contracts must give the contractors incentives to propose deviating from the lists when they can show that the deviations use government equipment more effectively or better promote the objectives of the Defense Standardization Program. The MGFEL and MCFEL must be kept current throughout the contract period when program/system office reviews or decisions affect the system configuration. The ALC MUCOs will use this list to validate requisitions from the program/system office or contractors.

#### 4. Item Selection Process:

a. Review the program's requirements for equipment and its plans for managing equipment.

b. Review the questions on the item selection checklist and verify that they apply to program needs.

c. Modify categories and questions on the item selection checklist to meet unique program requirements.

d. Assign points (weights) to each of the four categories: technical, schedule, logistics support, and

cost. The weights must reflect each category's importance to the program. The weights for all categories should total 100. Show these weights on the item selection summary worksheet.

e. Assign a numerical value for the answer to each question. For example, you might assign a score of 10 to a completely satisfactory answer and a score of 0 to a completely unsatisfactory answer. Questions within a given category can be assigned different scores; more important questions should be assigned higher scores.

f. Analyze each item, using information from the equipment lists, the technical authority responsible for the item, and commercial catalogs.

(1) Evaluate each item with the checklist and record the scores on the item selection worksheet. Add comments if necessary. You may use one worksheet to record results for several items.

(2) For each category, determine the highest possible score by totalling the values assigned to all the questions in the category.

g. Total the scores recorded in f(1) above for each category.

h. Divide the category total in g above by the highest possible score in f(2) above to get a raw score.

i. Multiply this raw score by the weight assigned to the category in d above to get the weighted category score. Record this score on the item selection worksheet.

j. Repeat the process to get weighted category scores for each category. Total the category scores.

k. Fill out the item selection worksheet.

l. Merely comparing scores does not always lead to a clear decision. Therefore, before beginning this process, consider:

(1) If an item gets an unacceptable score on a high priority question, should it be disqualified?

(2) If an item gets an unacceptable score on a high priority category, should it be disqualified?

(3) If items get comparable scores, how will a choice be made?

**5. Determining GFE/CFE Acquisition.** Use this process after selecting the item and doing the availability and acquisition analyses. Throughout the following procedure, "method of acquisition" means choosing between CFE and GFE.

a. Tailor the questions and categories on the GFE/CFE Determination Checklist (para 6) as necessary to meet unique program requirements.

b. Refer to the GFE/CFE Determination Matrix (fig A2-4).

(1) Assign each category a weight or percentage that reflects its importance in meeting program needs.

(2) Answer or analyze the checklist questions and decide whether the answer favors GFE or CFE.

(3) Decide which method of acquisition would be better for each category.

c. Analyze the matrix to help evaluate and select



Evaluator: _____			Date: _____		
<b>PREFERENCE SELECTION</b>					
<b>CATEGORY</b>	<b>Favor</b>	<b>GFE</b>	<b>Partial</b>	<b>Favor</b>	<b>CFE</b>
					<b>Partial</b>
<hr/>					
<b>A. Management</b>					
Question 1.					
2.					
3.					
<b>Total</b>					
<hr/>					
<b>B. Cost</b>					
Question 1.					
2.					
3.					
<b>Total</b>					
<hr/>					
<b>C. Availability</b>					
Question 1.					
2.					
3.					
<b>Total</b>					
<hr/>					
<b>D. Logistic Support</b>					
Question 1.					
2.					
3.					
<b>Total</b>					
<hr/>					
<b>TOTAL ENTRIES</b>					
<hr/>					
<b>Weighted Sum</b>					
<hr/>					
<b>DECISION:</b>	<b>GFE or CFE</b>			<b>RATIONALE:</b>	

**Figure A2-4. GFE/CFE Determination Matrix (Sample Format).**

the more advantageous acquisition method. Record the supporting rationale.

**6. GFE/CFE Determination Checklist:**

**a. Management Factors:**

(1) Which method of acquisition would provide the better capability to assume the technical risks associated with quality assurance, reliability, and interchangeability?

(2) Which method encourages small business to take part in the program as an item vendor?

(3) Which method gives the government better item configuration control?

(4) Which method better ensures timely delivery?

(5) Which method better ensures contractors will adhere to warranty provisions?

(6) Which method encourages a stronger competitive environment?

(7) Which method allows for FMS considerations to be fulfilled better?

(8) Which method gives the government a better technical and management view of the item, if the item has a potential for use in other systems?

(9) Which method is better considering the number of items to be acquired?

(10) Which method takes better advantage of other programs that are already acquiring the same item?

(11) Which method has better potential for integrating the equipment into the system?

(12) Which method gives better assurance that contractors will deliver on schedule and comply with specifications?

(13) For an item with potential for use in other systems, which method permits a continuing engineering program that keeps the item current with the state of the art?

(14) Which method better supports the NATO rationalization/standardization/interoperability policies and direction?

**b. Cost Factors:**

(1) Which method better handles the program's funding constraints?

(2) Which method is more cost effective (for example, how does the contractor's overhead cost compare with the cost of any additional government resources that would be needed if the item were supplied as GFE)?

(3) Which method better exploits the unit-

price savings resulting from competition? Are there several vendors who can supply the selected item?

(4) Which method has a more acceptable degree of cost risk? (For example, if GFE cost is 90 percent of CFE cost, but the confidence level in the GFE cost is only 10 percent and confidence in the CFE cost is 95 percent, then CFE has a lower cost risk.)

**c. Availability Factor.** Which method better provides the lead time needed to meet the prime contractor's schedule requirements?

**d. Logistics Support:**

(1) If an item is not in the DOD inventory and is nonsupportable, which method would be most advantageous to the government for providing logistics support elements, such as technical data and spares, after the item is supplied?

(2) Which method better provides for maintaining the item after delivery to the contractor?

(3) If an item is available in the DOD inventory, can it be kept in a holding account until needed? Are there enough spares and repair parts to support the additional operational requirements? Which method do these considerations favor?

**POLICY, PROCEDURES, AND PREPARATION INSTRUCTIONS  
FOR AFLC/AFSC FORM 8,  
GFE AVAILABILITY REQUEST/ACQUISITION ASSESSMENT**

**1. Policy and Procedures:**

a. The program/system office will submit AFLC/AFSC Form 8 only for items identified by an NSN or NC.

b. The program/system office will use section I of the form to request—

(1) Availability (releasability) of inventory government serviceable or reparable assets that can be used to support program/system development and production requirements.

(2) AFLC to provide equipment for development and production reserves so rejects or late deliveries do not cause shortages.

(3) AFLC to provide initial or replenishment spares support when the preliminary availability assessment shows there are not enough GFE assets to cover production requirements and AFSC will have to buy additional or new GFE.

(4) The cognizant equipment-buying activity to buy an item of GFE/GFM if government assets are not available to meet development and production requirements.

(5) AFLC to provide military property for loan or lease to contractors.

c. The program/system office will complete section I of the form and send the original and three copies to the MUCO of the AFLC FSC/MMAC prime item ALC (AFLCR 523-3 or the Master Equipment Management Index, TA001) for GFE. The program/system office will complete section I of the form and send the original and three copies to the MMMS office (Loan/Lease Control Office) at the prime item ALC for loan or lease property requirements. On receiving the form the prime ALC MUCO or loan/lease control officer will—

(1) Validate the prime FSC/MMAC assignment.

(2) If the FSC/MMAC prime ALC assignment is incorrect, enter the correct ALC in section II, item 27, and return the form to the submitting program/system office.

(3) If the FSC/MMAC prime ALC assignment is correct, process the form within 15 workdays. If more time is needed, negotiate with the submitter. The procedure is as follows:

(a) Assign a control number and establish a control file.

(b) Send the form to the responsible IMS to evaluate and complete section II or III, as appropriate.

1. If the managing IMS is the PICA (DOD IMS), the IMS will determine if assets are on hand or due in to support the requirement. If assets are or will be available, complete section II. Inform the program/system office whether the items will be "reimbursable" or "free issue." (Stock fund items are reimbursable to a noncapitalized EY account

when issued either out of the inventory control point (ICP) or out of another capitalized account.) If assets are not available, the IMS can either buy the item or give the program/system office the authority to buy. Complete section III and have the approving authority sign the form (AFLCR 57-19).

2. If the managing IMS is the Secondary Inventory Control Activity (SICA) (service/agency IMS), the IMS will coordinate the request with the PICA to obtain an asset availability position. If the PICA indicates the assets are or will be available, complete section II. Inform the program/system office whether the items will be "reimbursable" or "free issue." If assets are not available and the PICA will buy the item or give the program/system office permission to buy, complete section III and have the approving authority sign the form (AFLCR 57-19).

(c) When the IMS evaluation has been accomplished, the form will be returned to the MUCO or loan/lease officer who, in turn, will review the form, sign it, update the files, and return two copies of the form to the submitting program/system office.

(d) On receipt of the form, the program/system office will evaluate the IMS comments; complete section IV indicating acceptance or rejection of asset offers; and return the completed form to the MUCO or loan/lease control officer so logistics action can be initiated or the file can be closed. If reparable assets were offered and accepted, the program/system office will send the form (with section IV completed) and an AF Form 185 to the ALC Maintenance Modification Branch (MMMM) to cover the cost of repair (AFR 170-2).

d. If the AFLC/ALC notifies the program/system office that government assets are not available in the inventory to meet their requirements, or that AFLC does not manage the item, the program/system office sends the AFSC equipment-buying activity a copy of the form.

(1) When it gets the form, the activity uses a formalized business strategy to determine whether it can buy the item.

(2) The buying activity must notify the initiator of the form as to whether or not the activity can buy the GFE item. The activity does so by completing section III of the form and sending it to the program/system office within 15 workdays after receipt (unless otherwise negotiated).

(3) The director of the buying activity must approve section III of the form before sending it to the program/system office.

**2. Preparing AFLC/AFSC Form 8.** See table A3-1 for guidance on completing AFLC/AFSC Form 8, figure A3-1.

GFE AVAILABILITY REQUEST/ACQUISITION ASSESSMENT													
I. TYPE REQUEST													
<input checked="" type="checkbox"/> GFE REQUEST <input type="checkbox"/> LOAN REQUEST <input type="checkbox"/> LEASE REQUEST													
1. INITIATOR John Doe			2. ORGN & OFFICE SYMBOL ASD/YPMG			3. TELEPHONE NO. 54321			4. DATE 11 Oct 83				
5. CONTROL NO. 37836-1			6. AMENDMENT NO.			6. A. CONTRACTOR NO. NAME, EY SRAN A-26300-F1-C002A Smith Aerospace Corp FY3674							
7. NATIONAL STOCK NO./NOMENCLATURE/TYPER DESIGNATOR 6601-01-063-1104, Indicator Fuel Flow, EFU-22A/A-7													
8. PRODUCTION (INSTALLATION) REQUIREMENTS													
LINE	FISCAL YEAR A	SYSTEM TYPE DESIGNATOR SERIES, MISSION, DESIGN B	NUMBER OF SYSTEMS C	QUANTITY OF GFP REQUIRED		DOCK TIME MONTHS F							
				PER SYSTEM D	TOTAL INSTALL E								
1	84	ABX	1	37	174	24							
2													
3													
4													
5													
G. REQUIRED GFP DELIVERY SCHEDULE													
MONTH		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
QUANTITY PER MONTH		15	15	15	15	15	15	15	15	15	15	15	15
MONTH													
QUANTITY PER MONTH													
MONTH													
QUANTITY PER MONTH													
9. REMARKS													
II. AFLC ASSESSMENT													
10. AFLC IM Maj T.A. Smith			ORGN & OFFICE SYMBOL MMICA			12. TELEPHONE NO. 53671			13. DATE 30 Oct 83				
14. NATIONAL STOCK NO./NOMENCLATURE/TYPER DESIGNATOR 6601-01-063-1104, Indicator Fuel Flow													
15. UNIT COST 174.00			16. PROGRAM YEAR 84			17. STOCK FUND INVESTMENT Stock Fund			18. ALC CONTROL NO. A-641-3			19. AMENDMENT NO.	
20. PRODUCTION REQUIREMENTS						21. QNTY AVAILABLE (RELEASEABLE) TO SUPPORT PROD/LOAN LEASE RQMT							
LINE	FISCAL YEAR A	SYSTEM B	TOTAL INSTALL QUANTITY C	STOCK FUND A	INVESTMENT								
					SERVICEABLE B	REPARABLE C							
1	84	ABX	174	73	23	36							
2													
3													
4													
5													
22. OTHER APPLICABLE DATA													
A. ENGINEERING DATA REQUIRED None									ORGANIZATION		CONTRACTOR		
B. TECHNICAL ORDER DATA REQUIRED None						E. REPAIR CAP CUR EXIST					X		
C. SERVICEABLE ITEM			MIL SPEC MIL-I-8143C			F. REPAIR CYCLE (DAYS)					45		
			PART NO C4118560006										
D. REPARABLE ITEM			MIL SPEC MIL-I-37366A			G. COST TO REPAIR (PER UNIT)			65.00				
			PART NO FB82561117										

23. ALC MUO/LOAN/LEASE CONTROL J. Johnn <i>J. Johnn</i>		24. ORGN & OFFICE SYMBOL SM-ALC/MMMC		25. TELEPHONE NO. 53671		26. DATE 2 Nov 83	
27. REMARKS							
III. ACQUISITION ASSESSMENT							
28. PROGRAM ITEM MANAGER S. Bear <i>S. Bear</i>		29. ORGN & OFFICE SYMBOL OC-ALC/MMMS		30. TELEPHONE NO. 83612		31. DATE 10 Nov 83	
32. NATIONAL STOCK NO./NOMENCLATURE/TYPE DESIGNATOR/VENDOR PART NO. 6601-01-063-1104, Indicator Fuel Flow AM-374							
33. BUYING ACTIVITY ABLE TO ACQUIRE GFP ITEM <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO				34. MEET ITEM BG DELIVERY SCHEDULE <input type="checkbox"/> YES <input type="checkbox"/> NO			
35. BEST DELIVERY SCHEDULE THAT CAN BE SUPPORTED							
MONTH		FY					
QUANTITY PER MONTH							
MONTH		FY					
QUANTITY PER MONTH							
MONTH		FY					
QUANTITY PER MONTH							
36. UNIT COST \$174.00		37. END ITEM INITIAL SUPPORT COST \$186.00		38. DATE FUNDS NEED TO BE AVAILABLE 30 Aug 84			
39. DATE PR/MIPR NEEDS TO BE AVAIL 20 May 84		40. ADMIN LEAD TIME (MONTHS) 3 months		41. PRODUCTION FLOW TIME (MONTHS) 24 months			
42. WARRANTY PROVISIONS							
43. BUYING ACTIVITY DIRECTOR		44. DIRECTOR'S ORGN & OFFICE SYMBOL			45. DATE		
46. REMARKS							
IV. SYSTEM PROGRAM OFFICE APPROVAL							
47. COMMENTS OF APPROVING OFFICIAL							
48. APPROVING ORGANIZATION AND OFFICE SYMBOL ASD/YPMG		49. TELEPHONE NO. 36261		50. DATE 23 Nov 83			
51. TYPE NAME AND TITLE OF APPROVING OFFICIAL Col D.J. Smith		52. SIGNATURE OF APPROVING OFFICIAL <i>Col D.J. Smith</i>					

Figure A3-1. Continued.

TABLE A3-1

## INSTRUCTIONS FOR PREPARING AFLC/AFSC FORM 8

1. Section I, GFE/Loan/Lease Request—The AFLC/AFSC system/program office completes this section to request that the cognizant ALC or source of supply make inventory assets available (releasable), or that the cognizant buying activity buy assets, to satisfy GFE/GFM/loan or lease property requirements for development or production contracts.
2. Section II, AFLC Assessment (except items 23 through 26)—The applicable IMS completes this section to notify the system/program office whether inventory assets are available to satisfy the GFE/GFM production/loan/lease requirements identified in Section I. If Air Force is SICA, the IMS contacts the other service PICA to establish availability. Enter the name and symbol of the PICA, if applicable, in item 27.
3. Section II, items 23 through 26 (and item 27 when applicable)—The MUCO or loan or lease control officer completes this section after the IMS has completed all items outlined in this attachment.
4. Section III, Acquisition Assessment—The IMS completes the acquisition assessment (with the approval of the PICA if another service is the buying activity) to inform the system/program office whether the buying activity can buy the GFE item or loan or lease property.
5. Section IV, System Program Office Approval, is self-explanatory.

A			B
SEC	ITEM	COLM	ENTRY
I			Check block to indicate if GFE request or loan or lease property request.
	1		Typed name of the system/program office initiator. After completing Section I, the initiator signs above the typed name to signify that the data are correct.
	2		Initiator's organization, office symbol, and AFB.
	3		Initiator's telephone number.
	4		Date of preparing Section I.
	5		The system/program office's AFLC/AFSC Form 8 control number. The system/program office uses this number to process, file, and monitor the forms.
	6		The basic (original) form's number in item 5 and the appropriate amendment number in item 6 when amending a form issued previously. Always issue and distribute amendments by consecutive amendment numbers.
	6a		System/program contract number, contractor name, EY stock record account number (SRAN) (for amendments and originals submitted after contract award).
	7		The NSN, nomenclature, or type designator of GFE/GFM item or loan or lease property requested. If there is more than one vendor for an item, give the name of each acceptable vendor along with the applicable item information.
	8		Self-explanatory.
		A	The fiscal year(s) when the GFE/GFM production assets are required.
		B	Nomenclature of the system the GFE/GFM will be in.
		C	Total number of systems to be produced during the fiscal year(s) in item 8, column A.
		D	Number of GFE/GFM items to be installed in each system.

TABLE A3-1-Continued

A			B
SEC	ITEM	COLM	ENTRY
		E	Number of GFE/GFM items to be installed in each system plus spares. Asterisk the entry: "see block 9 remarks."
		F	The system GFE dock time (in months) that the system/program office uses to calculate GFE requirements.
		G	Identify, by month, the GFE/GFM loan or lease property delivery schedule needed to meet the production schedule. This delivery schedule not only reflects GFE DD Form 610 requirements but also allows for vendor shipping times, potential GFE rejects, and GFE dock time (if not already included in the DD Form 610 requirements). If loan or lease property is requested, indicate the year and month assets will be returned to the Air Force by the contractor.
	9		Remarks that will help the IMS buying activity make an availability or acquisition assessment: quantity and required schedule of ALC spares requested for production reserves, unique warranty requirements, FMS requirements and special conditions, requests for ALC to fund initial spares, requests for deficiency trends, and identification of the buying activity (if other than AFLC). If the item is for an SAP, include parts of the letter of agreement or other documents specifying the logistics support and data to be bought from the contractor for the country (TOs and provisioning data) and a releasability statement for hardware and supporting data (obtained from HQ USAF/LEF). Loan items will be identified by annotating LOAN in half-inch letters. Include: "* _____ total to include _____ spares (see block 8E remarks.)"
II			AFLC ASSESSMENT
	10		Typed name of the IMS responsible for the GFE/GFM item or loan or lease property. After completing Section II (excluding items 23-26), the IMS signs above the typed name to signify the data are correct.
	11		IMS's organization and office symbol.
	12		IMS's telephone number.
	13		Date of preparing Section II.
	14		The NSN(s), nomenclature, or type designator of GFE/GFM items or loan or lease property that are inventoried. If there is more than one vendor for an item, give the name of each vendor along with other applicable information.
	15		The price the system/program office must pay for each unit. If there is more than one price for the GFE/GFM item or loan or lease property, list each price and specify the quantity available at each price; also, in item 21, indicate whether the items offered are long supply and reimbursable or nonreimbursable.
	16		The fiscal year(s) when the inventory assets become available.
	17		Indicate whether the available assets are stock-funded or investment.
	18		ALC control number. Each ALC MUCO or loan or lease control officer assigns and maintains control numbers.

TABLE A3-1—Continued

A			B
SEC	ITEM	COLM	ENTRY
	19		When amending a Section II issued previously, enter the basic (original) AFLC/AFSC Form 8 control number in item 18 and the amendment number in item 19. Always issue and distribute amendments by consecutive amendment numbers for each basic form. Always coordinate with the MUCO or loan or lease control officer when assigning amendment numbers.
	20		Enter the GFE/GFM production requirements from item 8, columns A, B, and E into columns A, B, and C of this item.
	21		The total number of inventory assets that are available or releasable to satisfy each line of GFE/GFM production requirements given in item 20, column C, or total loan or lease property requirements that are available or due-in in time to meet total loan or lease requirements. (Enter the cost associated with each quantity of available assets only if item 15 gives two or more unit prices.)
		A	Total number of stock fund numbers.
		B	Total number of serviceable investment items (count due-in items as serviceable).
		C	Total number of reparable investment assets.
	22	A	If there are no engineering data or insufficient engineering data to support the GFE end item or loan or lease property, estimate what it will cost to buy the data. Enter "None" if there are already enough engineering data. The ALC's GFE item technician helps the IMS complete this item.
		B	If there are no or insufficient technical data for base-, intermediate-, or depot-level maintenance or repair, estimate the cost to buy the data. Enter "None" if there are already enough technical data. The ALC's GFE item technician helps the IMS complete this item.
		C	The military specification number and vendor part number of serviceable GFE/GFM items or loan or lease property that are available. If there is more than one vendor for an item, give each vendor's name and part number in item 27 and cross-reference them here.
		D	The military specification number and GFE/GFM/loan/lease property vendor part number for reparable items that are available. If there is more than one vendor for an item, give each vendor's name and part number in item 27 and cross-reference them here.
		E	Indicate whether there are organic or contractor repair capabilities for reparable assets that are available.
		F	Length of the organic or contractor repair cycle, in days.
		G	The unit repair cost for organic or contractor repair. In item 27, give any other information that will provide the system/program office additional pertinent information on the availability assessment, such as spares, spare parts, and data items required to support GFE end items or loan or lease property.
	23		Typed name of the MUCO representative responsible for the GFE item or loan or lease control officer responsible for loan or lease property. After completing items 23 through 26, the MUCO representative or loan or lease control officer signs above the typed name to signify the data are completed as required.



TABLE A3-1—Continued

A			B
SEC	ITEM	COLM	ENTRY
	24		MUCO representative's or loan or lease control officer's organization and office symbol.
	25		MUCO representative's or loan or lease control officer's telephone number.
	26		Date the MUCO representative or loan or lease control officer reviews AFLC/AFSC Form 8.
	27		Remarks that give the system/program office additional data about the availability assessment, such as spares, spare parts, and data items.
III			ACQUISITION ASSESSMENT
	28		Typed name of the IMS. After completing Section III, the IMS signs above the typed name to signify the data are correct.
	29		IMS's organization and office symbol.
	30		IMS's telephone number.
	31		Date of preparing Section III.
	32		The NSN, nomenclature, type designator, vendor part number, and vendor names for the GFE/GFM loan or lease property to be acquired (if different from item 7).
	33		Indicate whether the buying activity can buy the GFE/GFM loan or lease property identified in Section I. Give rationale for negative replies in item 46.
	34		Indicate whether the buying activity can support the delivery schedule in item 8. If the buying activity can buy the item but cannot meet the schedule in item 8, give the best possible delivery schedule in item 35.
	35		Identify by month the best delivery schedule the buying activity can support. Make every effort to provide the assets at the earliest achievable date.
	36		The current unit cost or projected unit cost.
	37		Estimate what the system/program office must pay for the end item's initial support data and hardware. This must include at least the initial engineering support data, TOs and manuals, and peculiar SE for base-, intermediate-, and depot-level support of the GFE end item.
	38		Date when system/program office funds must be made available for this acquisition.
	39		Date when the system/program office must make the PR/MIPR or requisition available to start this acquisition.
	40		Administrative lead time, in months, needed to contract the GFE/GFM loan or lease property requirements to a vendor. This period begins when the system/program office identifies the requirements in a PR/MIPR; it ends when the vendor is awarded a contract.

TABLE A3-1—Continued

A			B
SEC	ITEM	COLM	ENTRY
	41		Vendor's production lead time, in months. This period begins when the vendor is awarded a contract; it ends when the vendor delivers the first production unit to the government.
	42		Type and duration of vendor's warranty.
	43		Type name of the director of the AFSC buying activity. After reviewing the completed Section III, the approval authority signs above the typed name to signify approval and concurrence.
	44		Approval authority's organization and office symbol.
	45		Date of approval.
	46		Remarks that give the system/program office further data about the acquisition assignment.
IV			SYSTEM/PROGRAM OFFICE APPROVAL
	47		Comments about the items being approved. If GFE loan or lease property is not accepted, tell why. If this item has been identified in item 9 as a loan item, annotate the loan return date in item 9.
	48		Approving organization and office symbol. Organization and symbol accepting the assets offered in Section II, or acquisition offered Section III, of this form.
	49		Telephone number.
	50		Date of approval.
	51		Approving official's typed name and title.
	52		Signature of approving official.

**MISSION EQUIPMENT (ME)—ACQUISITION AND MANAGEMENT GUIDANCE**

**1. General Introduction.** This attachment tells how to acquire and manage GFE ME that is on, or will be put on, the MGFEL. The process normally begins before the RFP is released (fig A2-1, block 4). However, item selection (block 2) and the preliminary equipment acquisition method decisions (block 3) continue throughout the demonstration and validation, full-scale engineering development, and production phases as the design matures and additional equipment requirements are identified. This attachment assumes that the item selection process and preliminary equipment acquisition method decision are completed before the RFP and contract award. (However, this process can be started whenever new equipment requirements are identified (at preliminary design reviews, logistic support analysis reviews, critical design reviews, ECPs, etc.)) The acquisition and management process has two phases: precontract award and postcontract award. This process ideally repeats during the system's life cycle. As figure A2-1 shows, the process first starts at the end of the conceptual phase, during the transition to demonstration and validation and at the end of the demonstration and validation, and full-scale engineering development phases.

**2. GFE/CFE Process, Precontract Award.** Tasks before contract award are in blocks 1-7 and discussed in attachment 2.

**3. GFE/CFE Management, Postcontract Award.** The program/system office is responsible for making sure the government acquires all the ME on the MGFEL. The following management approach is provided for guidance:

**a. Available GFE Acceptance Decision (Block 8).** The program/system office will notify the ALC MUCO in writing within 30 days after contract award or, if AFLC/AFSC Form 8 is submitted after contract award, within 30 days after receiving the form. The formal notice of acceptance cites the control number the ALC MUCO assigned to the form requesting equipment availability.

**b. Process PR/MIPR (Block 9).** When assets are not available, the program/system office makes plans to acquire them and processes a PR/MIPR as follows:

(1) **Plan Acquisition.** Before starting acquisition, the program/system office verifies that each item of GFE is technically adequate for its intended use in the system. The program/system office prepares, processes, and revises an AFLC/AFSC Form 7 according to attachment 6. Program/system engineering personnel review this form for each GFE item. They resolve any technical discrepancies with the applicable GFE engineer before the program/system office submits PRs/MIPRs to the equipment-buying activity.

(2) **Process PR/MIPR.** The program/system office will prepare and process PRs/MIPRs according

to AFSCR/AFLCR 57-7 for all development and initial operational test and evaluation (DT&E and IOT&E) GFE requirements (when AFSC funds are used) and all GFE production requirements. They send the equipment activity (if outside an ALC) a copy of the coordinated initial or revised AFLC/AFSC Form 7. The program/system office does not prepare or process PRs/MIPRs either for spares and provisioning support or for the common SE managed by AFLC. An exception is allowed, however, whenever AFSC funds spares requirements for DT&E and IOT&E. Submit planning or advanced PRs for firm GFE requirements if funds are not available and the GFE lead time (administrative plus production) requires immediate acquisition action to support the system's requirements. The responsible ALC IMS prepares and processes PRs/MIPRs for all common SE and spares that AFLC funds and for spare parts and data items to support the GFE end item. The program/system office or equipment-buying activity processes all PRs/MIPRs according to AFSCR/AFLCR 57-7. The AFSC PR/MIPR includes spares, spare parts, and data items. The ALC IMS will fund these items and attach DD Form 1423 during coordination so all requirements can be bought from the same contractor.

**c. MUCO Account Established (Block 10).** After the program/system office accepts the GFE, the MUCO transfers the available assets (ME and SE for delivery to the contractor) to the MUCO account. AFSC sends an AF Form 185 to the ALC Maintenance Modification Branch (MMMM) to cover the cost of repair and repairs are scheduled. After repair, the GFE is sent to the MUCO account. The MUCO holds the assets in its account until the program/system office or the contractor requisitions them. Assets that the AFLC IMS or another service PICA buys can also be placed in a MUCO account until the program/system office or the contractor requisitions them or they can be shipped directly to contractors, whichever is more acceptable and economical.

**d. Vendor Contract Award (Block 11).** When items are not available in the inventory and the program/system office has processed a PR/MIPR, the equipment-buying activity will ensure the GFE vendor's contract has identified all requirements for provisioning, logistics support, engineering data, and program/system office data, and consolidate as much as possible all production and spare requirements identified on PRs in order to get the most economical price. However, GFE contracting action must not be delayed to the point that production and spare delivery requirements cannot be met.

**e. Contractor Requisitioning of Available GFE (MILSTRIP) (Block 12).** The program/system office or contractor requisitions the assets held in the MUCO account. The contractor prepares requisitions according to MILSTRIP and any special instructions

the program/system office has issued. The program/system office must ensure all requisitions contain the codes the ALC needs to validate, ship, and bill (contractor SRAN, signal code, fund code, and contract number). The program/system office must also ensure requisitions are submitted in time so equipment can be delivered to meet the schedule in DD Form 610.

**f. Contractor Receipt of GFE (Block 13).** The contractor receives GFE from two basic processes: requisition of available assets from the ALC MUCO IMS accounts and direct delivery of GFE bought through vendor contract. The program/system office notifies the equipment-buying activity whenever changes will affect the GFE delivery schedule. If there are conflicts between the program/system and GFE delivery schedules, resolve the conflict to minimize the impact on the program/system.

**g. GFE Shortage and Failure Management Procedures (Block 14).** See figure A4-1.

(1) **Sufficient Quality Received (Block 14A).** The buying activity works closely with the program/system office to ensure the prime contractor gets enough GFE assets to meet DD Form 610 requirements. The buying activity ensures the program/system office gets the proper acceptance and shipment documents for GFE delivered to the contractor. Similarly, the buying activity (if outside AFLC) works closely with the IMSs to ensure there are plenty of GFE spares for logistics support.

(2) **Contractor GFE Acceptance Testing (Block 14B).** The equipment-buying activity and the program/system office mutually ensure the GFE vendor's acceptance test procedures (ATP) are compatible with the prime contractor's ATP. Resolve discrepancies among the procedures so the GFE will operate adequately in the program/system environment without forcing the GFE vendor to do acceptance tests beyond system requirements.

(3) **Pass (Block 14C).** When GFE has passed acceptance tests, it can be incorporated into the program or system.

(4) **System Acceptance (Block 15).** Once GFE has been incorporated, it is subjected to system-level testing. Handle failures during these tests according to blocks 14D-14K. When GFE has successfully completed system-level testing, it becomes the responsibility of the ALC (if an IMS has been assigned management responsibility) when the government formally accepts the program/system (DD Form 250, Material Inspection and Receiving Report).

(5) **Fail (Block 14D).** When GFE fails an acceptance (operational) test, the DOD organization administering the contract must verify the failure, then process the failed GFE according to TO 00-35D-54, USAF Material Deficiency Reporting and Investigating System, or according to the terms of the GFE vendor's warranty.

(6) **Contractor Submission of GFE Failure Report (Block 14E).** The program/system office ensures the prime contract includes DOD Data Item DI-P-6163A and DD Form 611-1 or an equivalent

form that tells the contractor how to report GFE failures. If an equivalent is used the prime contractor must be given failure criteria that establish the critical reject level to be reported. For example, "Report GFE with a 3-month rejection rate of 10 percent or higher." Send copies of rejection failure data to the GFE program/system office/equipment-buying activity and the prime ALC MUCO (if applicable).

(7) **Evaluate Problems and Identify Corrective Actions (Block 14H).** The program/system office notifies the GFE program/system office/equipment-buying activity whenever the office finds a significant problem with the GFE provided. When they mutually agree corrective action is required, the GFE program/system office/equipment-buying activity works with the program/system office to help correct problems. Consider these possible corrective actions: authorizing premium shipment of new units from the GFE vendor, borrowing assets from the ALC IMS, borrowing assets from another program/system office, getting replacements through MILSTRIP, speeding up the vendor's normal warranty repair cycle, starting future GFE buys if funds are available, or authorizing the prime contractor to issue the GFE vendor a purchase order to repair GFE (if the prime contract has such provisions).

(8) **Government Implementation of Corrective Action (Block 14J).** The program/system office or the equipment-buying activity will carry out the corrective actions they agreed to in block 14H. Both organizations ensure that corrective actions are carried out promptly so that GFE shortages do not delay the prime contractor's production line.

(9) **Acceptance Testing of Corrected GFE (Block 14K).** Repaired, borrowed, or otherwise corrected GFE undergoes the prime contractor's acceptance testing (block 14B). All units that fail these tests follow the procedures in blocks 14D-14K. Units that pass are installed in the system (block 15).

(10) **GFE Shortage (Block 14F).** Prime contractors will maintain accurate records on all GFE assets they receive. If there are discrepancies between the GFE on DD Form 610 and the GFE assets received, contractors must report them to the program/system office as in block 14G.

(11) **Contractor Submission of GFE Shortage Report (Block 14G).** The program/system office ensures the prime contract includes DOD Data Item DI-P-6161A and DD Form 611 or an equivalent form that tells the contractor how to report GFE shortages. Prime contractors must report shortages due to failed GFE and insufficient amounts of GFE. If an equivalent approach is used, it must provide for manual or computerized monthly shortage reports that match cumulative gross receipts against cumulative DD Form 610 requirements and cumulative rejects. Send each applicable GFE program/system office/equipment-buying activity and ALC MUCO a copy of the GFE shortage report.

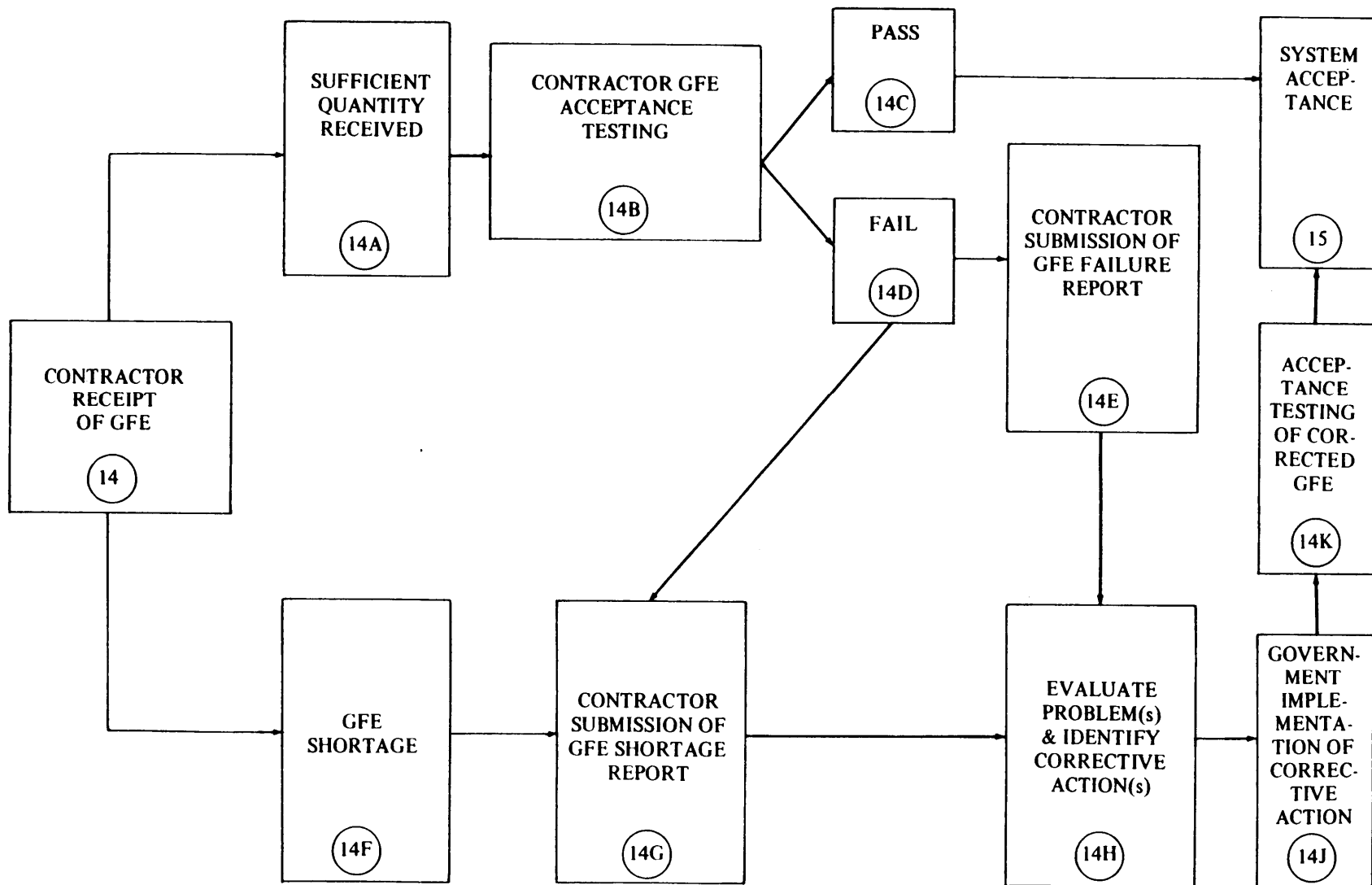


Figure A4-1. GFE Shortage and Failure Management Procedures.

**h. System Acceptance (Block 15).** After GFE is installed, it will be operationally tested. Handle any failures during these tests according to block 14. When GFE has successfully completed acceptance

testing, it becomes the responsibility of the ALC (if an IMS has management responsibility for it) when the government formally accepts the program/system (DD Form 250).

**SUPPORT EQUIPMENT (SE)—ACQUISITION AND MANAGEMENT GUIDANCE**

**1. General Introduction.** This attachment tells how to identify, select, and acquire the SE needed to keep a weapon system or subsystem or equipment operational in its intended environment. Each AFSC program office, AFLC Deputy Program Manager for Logistics (DPML), and AFLC system manager organization will have an SE management organization. Since SE is one element of integrated logistics support (ILS), the ALC SM will channel all SE-related actions through the DPML and the ILS officer. In acquiring SE, management concentrates on setting up the analytical process (for example, LSA) to identify needs early, selecting equipment, pricing it promptly, demonstrating it is functionally adequate, and delivering test or production quantities once requirements have been approved. Figure A2-1 shows the equipment selection and acquisition process. The precontract award tasks (blocks 1-7) are the same for ME and SE; however, ME and SE postcontract tasks (blocks 8-15) differ slightly. Tasks 8-15, as they apply to ME, are described in attachment 4. This attachment explains how they apply to SE.

**2. GFE/CFE Process, Precontract Award.** Analyzing support requirements early makes it possible to cost-effectively "design in" the use of standard or preferred SE. Analyzing system or equipment supportability and testability must be an integral part of all system or equipment design. The analysis will be reviewed during all government system or equipment design reviews. This assessment will continue even if, because of program constraints, SE cannot be acquired until later. Use AFSCR/AFLCR 800-5 to see how the government reviews and approves the contractor's data to identify and select SE after the contract is awarded.

**3. GFE/CFE Process, Postcontract Award.** The program/system office has the ultimate responsibility for ensuring the government acquires all the SE on the MGFE that must be delivered to the contractor. Because so many organizations are involved in buying, using, and maintaining SE, especially GFE SE, the following organizations must coordinate closely:

- Program/system office.
- Program director or system manager.
- GFE manager.
- SE manager.
- DPML and AFALC support organizations.
- ASD/AEGS.
- AFLC/ALC system manager.
- AFLC/ALC ME IMS.
- AFLC/ALC SE IMS.
- GFE SE program/system office/equipment-buying activity (if other than above organizations).
- WR-ALC/MMME (table of allowances [TA] management).
- Technology repair centers (depot).

- ATE software support centers.
- Aerospace Guidance and Metrology Centers.
- Operating command (using units).
- Test and evaluation activity.
- Air Training Command.

The command that has program management responsibility for an SE item is also responsible for budgeting and funding for it.

**a. Available GFE Acceptance Decision (Block 8).**

The program/system office will notify the ALC MUCO in writing when equipment requirements become firm (within 15 days after awarding a contract or approving support equipment recommendation data (SERD)). Formally accepting equipment offered on the AFLC/AFSC Form 8 authorizes the ALC to place committed equipment in a MUCO account and authorizes the IMS to budget, fund, and buy approved GFE common SE they said they could buy for system requirements. The formal notice of acceptance cites the control number the ALC MUCO assigned to the AFLC/AFSC Form 8 requesting equipment availability. The program/system office may use approved copies of completed AFLC/AFSC Form 8 to formally accept the equipment the form requests.

**b. Process PR/MIPR (Block 9).** When the equipment requested is not available in the inventory, but the equipment-buying activity indicated on the form it could buy the equipment, the program/system office begins acquisition planning and processes a PR/MIPR. An exception is common SE, in which case initial quantities have already been put into the inventory. For common SE, the SE IMS will budget, fund, and initiate PRs/MIPRs to buy items that meet system requirements. The AFLC/AFSC Form 8 shows the quantities needed to support the system; however, the IMS must compute the additional quantities the organizational and depot maintenance organizations will need during production and deployment.

(1) Plan Acquisition. Before acquisition the program/system office verifies that each item of GFE is technically adequate for its intended use in the system. The program/system office prepares, processes, and revises an AFLC/AFSC Form 7 according to attachment 6. Before the program/system office submits PRs/MIPRs to the buying activity, program/system engineering personnel review current AFLC/AFSC Forms 7 for each GFE item and resolve any technical discrepancies with the applicable GFE engineer.

(2) Process PR/MIPR. The program/system office will prepare and process PRs/MIPRs according to AFSCR/AFLCR 57-7 for all GFE required for DT&E and IOT&E and send the buying activity (if outside an ALC) a copy of the coordinated initial or revised AFLC/AFSC Form 7. The program/system office does not prepare or process PRs/MIPRs for spares and provisioning support requirements. An

exception is allowed, however, whenever AFSC funds DT&E and IOT&E spares requirements. Submit planning or advanced PRs for firm GFE requirements if funds are not available and the GFE lead time (administrative plus production) requires immediate acquisition action to support the system's requirements. The responsible ALC IMS prepares and processes PRs/MIPRs for all common SE and spares that AFLC funds and for spare parts and data items to support the GFE end item. The program/system office or equipment-buying activity processes all PRs/MIPRs according to AFSCR/AFLCR 57-7. Include spares, spare parts, and data items on the AFSC PRs/MIPRs. The ALC IMS will fund these items and attach the DD Form 1423 during coordination so all requirements can be bought from the same contractor.

c. **MUCO Account Established (Block 10).** After the program/system office accepts, the MUCO transfers the available SE, which must be furnished to the contractor, to the MUCO account. AFSC sends an AF Form 185 to the ALC Maintenance Modification Branch (MMMM) to cover the cost of repair and repairs are scheduled. After repair, the GFE is sent to the MUCO account. The MUCO holds the assets in its account until the program/system office or the contractor requisitions them. Assets that the AFLC IMS or other service (PICA) buys can also be placed in a MUCO account until the program/system office or the contractor requisitions them or they can be shipped directly to contractors, whichever is more acceptable and economical. Do not enter GFE SE that is to be furnished directly to operations and maintenance organizations into MUCO accounts.

d. **Vendor Contract Award (Block 11).** When items are not available in the inventory and the program/system office or SE IMS has processed a PR/MIPR, the equipment-buying activity will ensure the GFE vendor's contract has identified all requirements for provisioning, end item support, and program/system office data, and consolidate as much as possible all production and spares requirements identified on PRs in order to get the most economical price. However, GFE contracting action must not be delayed to the point that production and spare delivery requirements cannot be met. If any problem in acquiring this equipment will degrade the delivery schedule for the system end article or SE, advise the GFE manager and program director/system manager immediately.

e. **Contractor Requisitioning of Available GFE (MILSTRIP) (Block 12).** The program/system office or contractor requisitions the assets held in the MUCO account. The contractor prepares requisitions according to MILSTRIP and any special instructions the program/system office has issued. The program/system office must ensure all requisitions contain the codes the ALC needs to validate, ship, and bill (contractor SRAN, signal code, fund code, and contract number). The program/system office must also ensure requisitions are submitted in time so

equipment can be delivered to meet the schedule in DD Form 610.

f. **Contractor Receipt of GFE (Block 13).** The contractor receives GFE from two basic processes: requisition of available assets from the ALC MUCO accounts and direct delivery of GFE bought through vendor contracts. The program/system office notifies the equipment-buying activity whenever changes will affect the GFE delivery schedule. If there are conflicts between the program/system and GFE delivery schedules, the program/system office will resolve the conflicts to minimize the impact on the program/system.

g. **GFE Shortage and Failure Management Procedures (Block 14).** See figure A4-1.

(1) **Sufficient Quantity Received (Block 14A).** The equipment-buying activity works closely with the program/system office to ensure that the prime contractor gets enough GFE assets to meet DD Form 610 requirements. The buying activity ensures that the program/system office gets the proper acceptance and shipping documents for GFE delivered to the contractor. Similarly, the buying activity (if outside AFLC) works closely with IMSs to ensure there are plenty of GFE spares for logistics support.

(2) **Contractor GFE Acceptance Testing (Block 14B).** The equipment-buying activity and the program/system office mutually ensure that the GFE vendor's ATP are compatible with the prime contractor's ATP. Resolve discrepancies between the procedures so the GFE will operate adequately in the program/system environment without forcing the GFE vendor to do acceptance tests beyond system requirements.

(3) **Pass (Block 14C).** When GFE has passed acceptance tests, it can be incorporated into the program or system.

(4) **System Acceptance (Block 15).** Once GFE has been incorporated, it is subjected to contractor system integration, SE compatibility testing, and operational (acceptance) testing.

(a) **Contractor System Integration of SE.** During their design and development processes, contractors integrate SE with the rest of the system. A major element of this integration involves assessing how the changing system configuration affects SE.

(b) **SE Compatibility Testing and Acceptance Testing.** Both GFE and CFE SE must be tested for system compatibility to ensure ME and SE are compatible. They must also be tested and evaluated to show compatibility and fault traceability for SE from one level of maintenance to another (for example, organizational to intermediate to depot). Handle any failures during these tests according to blocks 14D-14K. When GFE has successfully completed acceptance testing, it becomes the responsibility of the ALC (if an IMS has been assigned management responsibility) when the government formally accepts the program/system (DD Form 250).

(5) **Fail (Block 14D).** When GFE fails an acceptance test, the DOD organization administering



the contract must verify the failure, then process the failed GFE according to TO-00-35D-54 or according to the terms of the GFE vendor's warranty.

(6) Contractor Submission of GFE Failure Report (Block 14E). The program/system office ensures that the prime contract includes DOD Data Item DI-P-6163A and DD Form 611-1, modified so it applies to SE, or an equivalent form that tells the contractor how to report GFE failures. If an equivalent is used, the prime contractor must be given failure criteria that establish the critical reject level to be reported. For example, "Report GFE with a 3-month rejection rate of 10 percent or higher." Send copies of rejection failure data to the GFE program/system office/equipment-buying activity and the prime ALC MUCO (if applicable).

(7) Evaluate Problem and Identify Corrective Actions (Block 14H). The program/system office notifies the GFE program/system office/equipment-buying activity when it finds a significant problem with the GFE it provides. When they mutually agree corrective action is required, the GFE program/system office/equipment-buying activity works with the program/system office to help correct problems. Consider these possible corrective actions: authorizing premium shipment of new units from the GFE vendor, borrowing assets from the ALC IMS, borrowing assets from another program/system office, getting replacements through MILSTRIP, speeding up the vendor's normal warranty repair cycle, starting future GFE buys if funds are available, or authorizing the prime contractor to issue the GFE vendor a purchase order to repair GFE (if the prime contract has such provisions).

(8) Government Implementation of Corrective Action (Block 14J). The program/system office or the GFE program/system office/equipment-buying activity carry out the corrective actions they agreed to in block 14H. Both organizations ensure that corrective actions are carried out promptly so GFE shortages do not delay the prime contractor's schedule.

(9) Acceptance Testing of Corrected GFE (Block 14K). Repaired, borrowed, or otherwise corrected GFE undergoes the prime contractor's acceptance testing (block 14B). All units that fail these tests follow the procedures in blocks 14D-14K. Units that pass are installed in the system (block 15).

(10) GFE Shortage (Block 14F). Prime contractors will maintain accurate records on all GFE assets they receive. If there are discrepancies between the GFE on DD Form 610 and the GFE assets received, contractors will report them to the program/system office in block 14G.

(11) Contractor Submission of GFE Shortage Report (Block 14G). The program/system office ensures that the prime contract includes DOD Data Item DI-P-6161A, DD Form 611 modified so it applies to SE during all acquisition phases, or an equivalent that tells the contractors how to report

GFE shortages, either due to failed GFE or not enough GFE. If an equivalent approach is used, it must provide for manual or computerized monthly shortage reports that match cumulative gross receipts against cumulative DD Form 610 requirements and cumulative rejects. Send each applicable GFE program/system office/equipment-buying activity and ALC MUCO a copy of the GFE shortage report.

**h. System Acceptance (Block 15).** After GFE is incorporated, it is subjected to contractor system integration, SE compatibility testing, and operational testing. See 3g(4)(a)-(b) above for this information.

**4. Support Equipment Recommendation Data (SERD).** The contractor identifies SE by using MIL-STD 1388-18. The contractor will submit a SERD according to DID DI-S-6176 or DI-S-3596 in order to identify SE required and to recommend an item to meet the requirement. Each SERD is reviewed (75-day review cycle) by many organizations according to AFSCR/AFLCR 800-5. If the SE requirement meets the criteria of the definition of "equipment" (in "Terms Explained"), the program/system office will start the GFE/CFE decision process in attachment 2.

**5. Formal Program/System Office Approval of SERD.** After completing the SERD review, the program/system office approves the item selection and acquisition method decisions, then notifies the AFLC system manager/IMS, MUCO (MMMS), WR-ALC/MMME (TA manager), and the equipment-buying activity (if outside AFLC). Once the equipment has been approved, follow the normal postcontract award procedure for managing it. The program/system office also adds the approved equipment to the MGFEL or MCFEL. The contractor submits DD Form 610 for GFE SE to be delivered to the contractor.

**6. Managing SE To Be Delivered to the Operational and Support Commands.** The Support Equipment Acquisition and Control System (SEACS/ADS: CO13) is a USAF system operated by 00-ALC/MMMR for AFLC. It identifies SE requirements early and tracks them. The system is documented in AFM 67-1, volume IV, part one, chapter 28 for major command users and in AFM 67-1, volume III, part seven for AFLC. The single-site processing center at 00-ALC sends SEACS output products to the major command users and AFLC system managers. These products give both detailed and summary statistical data about the availability and delivery status of both GFE and CFE. This system can be used for all systems or major subsystems during the acquisition, transition, or major modification phases of the life cycle. If the SEACS system is not used, set up an alternate SE management system to track and control SE deliveries to the operational and support commands.

**POLICY, PROCEDURES, AND PREPARATION INSTRUCTIONS FOR AFLC/AFSC FORM 7,  
GOVERNMENT FURNISHED CONFIGURATION ITEM TECHNICAL REQUIREMENTS**

**1. Guidance and Procedures:**

a. Use AFLC/AFSC Form 7 to identify all technical requirements for each equipment configuration that an AFSC equipment-buying activity will acquire as GFE. The completed AFLC/AFSC Form 7 gives the buying activity the technical data it needs to start acquisition.

b. The program/system office and the configuration control board (CCB) will manage common and peculiar GFE according to AFR 65-3.

c. Identify system requirements for GFE items in the Missile/System/Air Vehicle Specification or in a separate inventory item specification, as prescribed by MIL-STD 490, Appendix XII; and MIL-STD 483. For each item, the prime contractor must indicate whether the item has to be qualified for a new use or environment or indicate acceptance tests to be performed on the GFE before it is installed in the system or equipment.

d. A military specification that identifies a GFE item is considered equivalent to a Type B specification prepared according to MIL-STD 490. Prepare a product fabrication specification (Type C), according to MIL-STD 490, to identify the item's product baseline (requirements for production acceptance tests and manufacturing requirements) unless suitable equivalent data is available. After the physical configuration audit is done, use the Engineering Change Proposal (ECP), MIL-STD 480, to control changes to the product baseline configuration. After the item's product baseline has been established and approved, update AFLC/AFSC Form 7 and the Part II specification if the form will be in the acquisition data package for subsequent acquisition of the GFE.

e. When contractors prepare specifications according to MIL-STD 490, they should not convert them to military specifications merely so the government can use them as acquisition data for either initial or follow-on acquisition of GFE items, unless there are justifiable reasons for doing so. Converting to military specification may be justified when the item is highly competitive, is available from multiple sources, and is used in more than one system.

f. Avoid specifying design features and capabilities unless they are essential for the system or its military

mission. Specifications ordinarily give only the information needed to identify the functional configuration and, when necessary, to identify the product configuration. State performance and functional requirements in quantitative measurable terms, with upper and lower tolerances.

g. When the program/system office approves the technical requirements on AFLC/AFSC Form 7, it certifies that they are the best solution in terms of performance, cost, program schedules, standardization, and other program requirements or constraints.

h. Coordinate new specifications, or changes to an existing specification, for GFE items with the program/system project engineer.

i. When changing an existing item to adapt it to a new system application, the program/system office gives the equipment-buying activity the proposed specification change. Prepare the proposed change as a Specification Change Notice (according to MIL-STD 490), a specification amendment, or a specification revision.

j. Prepare an initial AFLC/AFSC Form 7—

(1) To validate using an existing item for a new application.

(2) To identify how an existing item must be modified for a new application.

(3) For new development items.

k. Prepare a new AFLC/AFSC Form 7 to supersede an existing one when—

(1) A new GFE item replaces an existing one.

(2) Technical requirements are revised for an existing GFE item.

l. The program/system office will—

(1) Prepare a separate AFLC/AFSC Form 7 for each equipment configuration that will be bought as GFE.

(2) Send three copies of the completed form to the equipment buying activity (if outside an ALC).

(3) Establish and maintain, in the activity that starts PRs, a record file of the forms for all items of GFE the system requires.

**2. Preparation Instructions for AFLC/AFSC Form 7.**

See figure A6-1 and table A6-1 for guidance on completing this form.

GOVERNMENT FURNISHED CONFIGURATION ITEM TECHNICAL REQUIREMENTS			
1. CONFIGURATION ITEM NOMENCLATURE Indicator Fuel Flow EFU-22A/A-7		2. DATE 2 Nov 77	
3. TYPE DESIGNATOR EFU-22A/A-7	4. NATIONAL STOCK NO./PART NO. 6610-01-063-1104/C4118560006	5. DATE OF SUPERSEDED ISSUE 12 Mar 75	
6. SYSTEM NUMBER F-16A/B	7. TYPE ITEM (Check One) <input checked="" type="checkbox"/> AIRBORNE <input type="checkbox"/> GROUND <input type="checkbox"/> FACILITY	8. REQUIREMENTS ARE FOR FISCAL YEARS 78 and on	
9. CONFIGURATION ITEM SPECIFICATION AND DRAWING		10. INTERFACE REQUIREMENT	
A. SPECIFICATION NO. MIL-I-38143C		A. DRAWING NO.	
B. PART 1	C. PART 2	B. SPECIFICATION NO.	
D. DATE TBA	E. DESIGN ACTIVITY ENAID	C. DATE	
F. TOP ASSEMBLY DRAWING NUMBER			
11. NEW DEVELOPMENT/PECULIAR ITEM REQUIREMENTS	YES	NO	SEE REMARKS
A. SYSTEM SE	X		
B. TRAINING EQUIPMENT		X	
C. TECHNICAL MANUALS	X		X
D. TRAINING SERVICES		X	
E. INTEGRATION SERVICES		X	
F. FAA CERTIFICATION		X	
G. ITEM COMPATIBILITY TESTING REQUIRED		X	
H. CONTRACTOR DATA REQUIRED	X		X
I. INSTALLATION/INTEGRATION INTERFACE DATA		X	
J. SURVIVABILITY		X	
K. SELECTED ITEM CONFIGURATION RECORD CONFIGURATION MANAGEMENT ACCOUNTING REPORT		X	
L. SPO REPRESENTATIVE REQUIRED AT			
(1) PRELIMINARY DESIGN REVIEW		X	
(2) CRITICAL DESIGN REVIEW		X	
(3) FUNCTIONAL CONFIGURATION AUDIT		X	
(4) PHYSICAL CONFIGURATION AUDIT		X	
M. COPY OF IFB/RFQ/RFP REQUIRED	X		X
N. NUMBER COPIES OF CONTRACT			
12. RELIABILITY PROVISIONS		13. MAINTAINABILITY PROVISIONS	
A. <input checked="" type="checkbox"/> COMPLY WITH POLICY		A. <input checked="" type="checkbox"/> COMPLY WITH POLICY	
B. <input type="checkbox"/> APPROVED DEVIATION ATTACHED		B. <input type="checkbox"/> APPROVED DEVIATION ATTACHED	

Figure A6-1. Sample AFLC/AFSC Form 7.

<b>14. TRANSPORTABILITY &amp; PACKING REQUIREMENT</b>			
Section 5 MIL-I-38143C			
<b>15. QUALITY ASSURANCE REQUIREMENT</b>			
A. <input checked="" type="checkbox"/> MIL-Q-9858	B. <input type="checkbox"/> MIL-I-45208	C. <input type="checkbox"/> MIL-STD-883	
<b>16. REMARKS</b>			
Block 11C: Revisions as required			
Block 11H: ECPs as required			
Block 11M: 1 copy ASD/ENAID			
Block 11N: 1 copy each ASD/YPMG ASD/ENAID			
<b>17. APPROVAL SIGNATURE RECORD</b>			
<b>SPO</b>	<b>DATE</b>	<b>ENGINEER</b>	<b>DATE</b>
CONFIGURATION MGT		AFLC	
PROG CONT		ATC	
CONTRACTING		UC	
TEST/DEP		OTHER	
<b>18. SPO SYMBOL AND TELEPHONE EXTENSION</b>			
ASD/YPMG 54321			
<b>19. GOVERNMENT PROJECT ENGINEER AND EXTENSION</b>			
ASD/ENAID/J. Johnn/53001			
<b>20. BUYING ACTIVITY PRO MGR AND TELEPHONE EXTENSION</b>			
ASD/AEAI/Maj Doe/53000			

Figure A6-1. Continued.

TABLE A6-1

## INSTRUCTIONS FOR PREPARING AFLC/AFSC FORM 7

1. It is essential to fill out this form completely and accurately. For all items that must be carried out by contract, give the exact information required for acquisition.
2. When attaching supplementary information to be used as acquisition data, prepare it so it can be inserted directly into the contract. Identify this supplementary information in item 16 and tell which subject or item of the form it applies to. Do not use letters, memos, or the like to modify specifications; the only ways to change specifications are revising them or amending them (para 1i).

A		B
ITEM	COLM	ENTRY
1		Item's complete approved nomenclature. If the item is a new development and the nomenclature has not been approved yet, enter the item's proposed nomenclature.
2		Date of preparing the form.
3		Item's type designator.
4		NSN and the part number. If there is more than one supplier for an item, and not all suppliers are acceptable, give the names of acceptable suppliers in item 16.
5		If this form changes requirements submitted previously for an item, give the date of the form that this one supersedes.
6		Program/system designation number, such as mission, design, series, and the FMS case designator, if appropriate.
7		Check to show whether the item is airborne, ground, or part of a facility.
8		First fiscal year when the item is required for the program/system.
9	A through F	Cite one of the following specifications: (1) The configuration item specification prepared according to MIL-STD 490. (2) The item's military specification. (3) An exhibit prepared by the program/system office's engineering support activity. (Only use this for an item's initial design, development, and production. If the engineering support activity does not convert the exhibit to a military specification, require the contractor to convert it into a specification according to MIL-STD 490.) The specification number must be complete, including any revision designator or amendment number. Cite the date the application specification was issued. If the item has been acquired previously, and the drawings or part II of the specification are to be used as acquisition data now, give the top assembly drawing number for the item. Show the design activity responsible for the drawings and specification. (When citing part II of the specification in the acquisition data package, cite part I of the specification as the overriding document; that is, if there is a conflict between the parts of the specification, part I prevails.) When the requirements cite part II of the specification and the referenced drawings, include two copies of the top assembly drawing with the AFLC/AFSC Form 7 and, in item 16, tell where to obtain copies of the complete set of drawings. (The drawings cannot be cited as acquisition data unless the government has unlimited rights to them.) If the item is a new development, include two copies of the contractor-prepared or military specification or the program/system office's prepared exhibit with the AFLC/AFSC Form 7. If the item was initially acquired as CFE for the program/system, and is now being converted to GFE, list any deviations from specification requirements during the CFE acquisition and tell whether the CFE item was fully qualified to the requirements cited on the form.
10	A through C	Tell where the item's interface requirements with other items of the program/system are described. The GFE vendor/contractor must have this information to design, develop, and produce the end item satisfactorily. Give the specification number or drawing number that controls the interface requirements. Cite the issue of the application specification. The program/system office must furnish two copies of the interface data as a part of the item's acquisition data package.

TABLE A6-1-Continued

A		B
ITEM	COLM	ENTRY
11		In the columns under this part of the form, describe program/system requirements that are peculiar to this configuration item or that the program/system office or program/system contractor requires to install and integrate the item into the program/system configuration satisfactorily.
	A	If the configuration item is reparable and requires peculiar SE for maintenance, enter "Yes." If the item is nonreparable and does not require any peculiar SE for maintenance, enter "No." If the program's/system's operational or maintenance requirements require SE for the item for use at the field and organizational levels, enter "see remarks." In item 16, identify any operational or maintenance requirements data that the GFE vendor/contractor must know in order to recommend or furnish proper SE.
	B	Check "Yes" or "No" to show whether this item's training-equipment requirements will be integrated into program/system training equipment and whether the GFE vendor/contractor must provide input. Obtain assistance and coordination from HQ ATC.
	C	Check whether inputs to the program/system technical manuals are required for the item. Technical manuals or other data may be required to support early training identified in item 11 B. Solicit ATC inputs to these requirements.
	D	Check "Yes" or "No" to show whether the GFE vendor/contractor must train Air Force personnel or program/system contractor personnel on the item. In deciding, get help and coordination from HQ ATC.
	E	Check "Yes" or "No" to show whether the program/system contractor needs the GFE vendor/contractor to help with program/system integration. If "Yes," include an attachment that defines what the vendor/contractor must do.
	F	Check "Yes" or "No" to show whether the configuration item must have FAA certification.
	G	Check here if the GFE vendor/contractor must do tests to demonstrate the item is compatible with the rest of the program/system before the item gets final qualification approval. Attach a complete description of the compatibility tests required.
	H	Check whether the program/system office needs engineering data prepared by the GFE vendor/contractor. Identify each required data item on a DD Form 1423, according to AFR 310-1, and attach it to the form.
	I	Check "Yes" or "No" to show whether the program/system contractor needs more installation, integration, and interface data than the item's specification gives. Usually, data item DI-E-7013, Drawing, Engineering and Associated Lists, Level 1 (conceptual and development design), or DI-E-7014, Drawings, Engineering and Associated Lists, Level 2 (production prototype and limited production) gives the requirements for preparing additional data. Cite them on DD Form 1423 when the program/system or installation contractor needs more data.
	J	Check "Yes" or "No" to show whether the item has any special or supplemental survivability requirements to function properly in an unnatural, man-made, hostile environment so the overall program/system equipment can survive. See AFR 80-38 and AFR 80-14 for test, validation, and survivability requirements.
	K	Check "Yes" or "No" to show whether the item requires "Selected Item Configuration Records." If "Yes," enter Data Item DI-E-3109 on the DD Form 1423. See item 11 H.

TABLE A6-1--Continued

A		B
ITEM	COLM	ENTRY
11	L	<p>Check "Yes" or "No" to show whether a program/system office representative must attend any of the following:</p> <ol style="list-style-type: none"> <li>(1) Preliminary Design Review (PDR).</li> <li>(2) Critical Design Review (CDR).</li> <li>(3) Functional Configuration Audit (FCA).</li> <li>(4) Physical Configuration Audit (PCA).</li> </ol> <p>(When acquiring the item under a follow-on acquisition from a source that has never furnished the item before, the contract must require a configuration audit. Items on the Qualified Parts List (QPL) need not have a configuration audit. If the item is developed as part of the full-scale engineering development phase for a program/system, determine whether AFSCR 84-2 requires a production readiness review (PRR). If so, it would normally be conducted with or after the PCA. Identify requirements for the PRR in item 16.)</p>
	M	<p>Check "Yes" or "No" to show whether the program/system office needs a copy of the Invitation for Bid, Request for Quotation, or Request for Proposal. After receiving these documents, the program/system office must verify that all their requirements have been satisfactorily included. They must notify the buying activity immediately if there are any errors or omissions.</p>
	N	<p>Tell how many extra copies of the contract (besides the number received in normal distribution) the program/system office needs.</p>
12	A and B	<p>If the hardware reliability requirements in the specification comply with AFR 800-18, check the first item. If the specification does not contain such reliability requirements, revise it according to paragraph 1i of this attachment. If it is in the best interests of the Air Force to deviate from policy, get approval for a deviation, attach it, and check the second box.</p>
13	A and B	<p>If the item's specified maintainability requirements comply with AFR 800-18, check the first box. If the specification does not contain such maintainability requirements, revise it according to paragraph 1i. If it is in the best interest of the Air Force to deviate from policy, get approval for a deviation, attach it to the form, and check the second box.</p>
14		<p>Identify any special or peculiar transportability or packaging requirements. Note whether these requirements supplement or replace the requirements in section III or V of the specification cited in item 9. Describe any supplemental or peculiar requirements in an attachment to the AFLC/AFSC Form 7, prepared so it can be inserted directly into the contract. The Transportation and Packaging Branch gives the program/system office technical assistance in completing this item.</p>
15	A through C	<p>Indicate the contractual quality assurance requirements that are appropriate. For example, USAF Notice 2, Test Method 5004, Class B, MIL-STD 883 describes the screening procedures to use when acquiring electronics equipment that contains microcircuits. (See AFSCP 74-4.)</p>
16		<p>Use this space to give the buying activity special instructions or to elaborate other items. If additional space is required, continue on a separate sheet. In this item, list all attachments to the form.</p>
17		<p>The responsible individual in the appropriate functional office signs to approve the technical requirements for the configuration item. The engineering director and the configuration management chief always approve the requirements. The program/system director or designated representative is the final authority to approve the item's technical requirements. The program/system director may authorize other approval signatures.</p>

TABLE A6-1--Continued

A		B
ITEM	COLM	ENTRY
18		The program/system office's office symbol and the telephone number of the contact point for the configuration item as used in that program/system.
19		When the program/system office does not have engineering responsibility, the name of the GFE project engineer for the item specification. Type the project engineer's office symbol and telephone number. The project engineer signs above the typed name to verify that the data are technically correct and acceptable from an engineering point of view.
20		Name of the project manager at the buying activity, office symbol, and telephone number.



**PROCEDURES FOR PROCESSING DD FORM 610,  
DOD GFAE REQUIREMENT SCHEDULE**

**1. Prime Contract Responsibility.** The prime contract must task prime contractors to—

a. Submit the DD Form 610 (DID DI-P-6162), or an equivalent, listing each item on the MGFEL that is to be delivered to the contractor.

b. Submit the form, or an equivalent, when they identify a GFE requirement after contract award.

**2. Flexible Scheduling.** In preparing the form, make sure schedules allow for learning curves. The first stages of a system or program usually vary. However, as contractors gain experience and production increases, lead times should decrease.

**3. Schedule Restrictions.** DD Form 610 schedules will not allow for—

a. Late delivery of GFE to dock.

b. Weather conditions or other provisions of an insurance nature.

c. Time to ship GFE from equipment manufacturers to the system contractor.

**4. Flexible Buying.** The program/system office should provide spares on DD Form 610 as a reserve so rejections do not cause shortages. Consider the historical performance of the specific GFE items, program lead times, and the availability of spares in

the worldwide Air Force inventory. When buying more GFE than is needed for installation, however, coordinate with the appropriate AFLC agency to keep the buying effort reasonable.

**5. Submitting the Form.** Submit the form promptly and accurately. This form is the GFE acquisition program's basis for making commitments, computing requirements, establishing acquisition schedules, placing contracts with GFE vendors, and allocating GFE assets. When prime contractors identify GFE requirements after contract award, they submit DD Form 610 to the DOD CAO for review and approval before sending it to the program/system office. AFPROs or cognizant service representatives responsible for administering contracts will ensure that prime contractors—

a. Establish requirements in their DD Form 610 accurately and completely.

b. Follow instructions for submitting the form.

**6. Approving the Form.** The prime contractors' DD Forms 610 are not official until the program/system office approves them. After approving a DD Form 610, the program/system office incorporates it into the prime contract.

## STANDARD/PREFERRED ITEM LIST STRATEGY

**1. General Introduction.** Economy and standardization call for developing and emphasizing the use of standard, preferred, or GFE inventory items in new weapon system development and retrofit modernization programs. To help the program director/system manager do this, a list was established by reviewing all currently available equipment. This list tells the program director/system manager which equipment USAF has designated as standard items and which items AFSC and AFLC have designated as preferred items in functional areas where there is no designated standard. This is the Air Force Standard/Preferred Item List (AF S/PIL). The AF S/PIL was developed in November 1979 and quarterly updates have been issued since then.

**2. Purpose of the List.** Using a list of standard and preferred items promotes standardization and cost effectiveness. Equipment listed on the AF S/PIL will be used when it meets the program's or system's technical and reliability requirements and is cost effective. As this list is not all-inclusive, the program director/system manager must still explore all sources to select proven, cost-effective equipment. Besides using equipment lists, program directors/system managers should ask AFSC product divisions and AFLC ALCs for information about equipment developed recently or still under development that can satisfy program/system requirements. Program directors/system managers and IMSs making recommendations to the AF S/PIL must carefully consider such parameters as performance, acquisition cost, support cost, reliability, and suitability of the item for multiple applications.

### 3. Criteria for Listing Equipment:

a. To be considered standard, items must have been specifically developed or acquired to fulfill multiple Air Force requirements. They must also be formally designated as standard by HQ USAF. Standard items include both inventory items and items under development.

b. Preferred items were not specifically developed or acquired to fulfill multiple Air Force requirements but have been subsequently identified by the cognizant equipment developing/buying activity as having that potential. These include both inventory items and items under development. Preferred items must also—

- (1) Meet the definition of "equipment" in this regulation. (The AF S/PIL does not include piece parts.)
- (2) Be suitable for a variety of applications.
- (3) Be procurable and supportable.
- (4) Be in full-scale engineering development or production (for development items).
- (5) Be approved by HQ AFSC/HQ AFLC.

### 4. List Format:

a. The AF S/PIL is a microfiche product issued

each January. Supplements are issued in April, July, and October. These supplements include all items approved since the preceding basic or supplement.

b. The list is a compilation of AFLC/AFSC Forms 6 (fig A8-1) submitted by the program directors/systems managers or IMSs. The instructions for completing the form are on the back of the form. Descriptive data and illustrations may be continued, if necessary. Continuation sheets must be on plain bond paper.

c. The list is indexed by part number/National Item Identification Number (NIIN), by Federal Supply Classification (FSC), and by functional class (from MIL-STD 864, Support Equipment Functional Classification Categories).

d. To ensure the list is not used to determine which offerors will be able to compete a particular product, the following cautionary statement is on the first frame: "Caution: This listing shall not be used by the procuring agency to determine which sources shall be solicited. The mere fact that an item is listed does not justify, in itself, a limitation of competition. The determination of which bidders/offerors to solicit shall be made in accordance with the statutes of the DAR or FAR."

### 5. Completing AFLC/AFSC Form 6:

- a. Fill in the following equipment information:
  - (1) Common name.
  - (2) Approved Government-type designation (AN/XXX, etc.).
  - (3) NSN or NC number.
  - (4) Functional class (from MIL-STD 864).
  - (5) Latest acquisition cost.
  - (6) OPR.
  - (7) Date original AFLC/AFSC Form 6 initiated.
  - (8) Manufacturer's name and code (from Cataloging Handbook H4-1).
  - (9) Manufacturer's part number.
  - (10) A line drawing of the item or system (this may be an attachment to the form).
  - (11) Descriptive Elements:
    - (a) Functional description.
    - (b) Technical description.
    - (c) Similar items.
    - (d) Sources of technical information.
    - (e) Reliability and maintainability information.
    - (f) A clear statement how the item is acquired.
    - (g) Peculiar SE and its cost.

b. The intent of the AF S/PIL is that it be a stand-alone document. As such, the information on the AFLC/AFSC Form 6 must be detailed enough to allow the program director/system manager to decide whether an item should be considered for use on a new program.

### 6. Developing, Maintaining, and Distributing the List:

a. Anyone can recommend additions, corrections,


AIR FORCE STANDARD/PREFERRED ITEM LIST		
(See Reverse for Instructions and Approvals/Disapprovals)		
1. ITEM NAME CAP, FLUID TANK FILLER	<div>10. ILLUSTRATION</div> 	
2. APPROVED GOVERNMENT TYPE DESIGNATION		
3. NATIONAL STOCK NUMBER (If Assigned) 1560-00-118-9669MA		
4. FUNCTIONAL CLASS EE-2.3		
5. UNIT COST \$44.79		
6. OPR AUTOVON 735-2942 OC-ALC/MMIFFA		
7. DATE 16 OCT 68		
8. MANUFACTURER'S NAME AND CODE 99321 SHAW AERO DEVICES		
9. MANUFACTURER'S PART NUMBER 457-370-12		
11. DESCRIPTIVE ELEMENTS		
A. FUNCTIONAL DESCRIPTION: ALLOWS EXTERNAL FUELING OF FUEL TANK.		
B. TECHNICAL DESCRIPTION: ITEM HAS A TWIST TYPE LOCKING DEVICE THAT FITS INTO A FUEL TANK ADAPTER AND IS SEALED WITH AN "O" RING.		
C. RELATION TO SIMILAR EQUIPMENT: UNKNOWN.		
D. REFERENCE DATA: T.O.s 1A7D-4-6 FIG. 33IND4 AND 6J14-2-28-3 FIG. 3 SHEET 2.		
E. SERVICE HISTORY: N/A		
F. ACQUISITION STRATEGY: ITEM COMPETITIVE; DATA PROPRIETARY.		
G. SUPPORT EQUIPMENT: NONE.		
12. DIMENSIONS 4 INCH DIAMETER, 2 INCH HEIGHT	13. WEIGHT 15 OZ	14. STANDARD/PREFERRED STANDARD

Figure A8-1. Sample AFLC/AFSC Form 6.

or deletions to the AF S/PIL. Send recommendations to the appropriate program director/system manager or IMS. They will evaluate the recommendation and initiate an AFLC/AFSC Form 6 for each suitable candidate item.

b. HQ USAF/RDXM, HQ AFSC/SDXP, AFLC CASC/CBRS, ASD-AFALC/AXT, ASD/AEGS, and each AFSC product division and AFLC ALC will establish a focal point and routing or reviewing procedures for the AF S/PIL. This will help ensure AFLC/AFSC Forms 6 are complete and technically accurate before they are sent on for approval.

(1) The AF S/PIL focal points will send completed AFLC/AFSC Forms 6 for all items except avionics and SE to their respective headquarters. The ALC focal points will send their forms to their approval authority, AFLC CASC/CBRS, Federal Center, Battle Creek MI 49016-3442. The product divisions will send their forms to their approval authority, HQ AFSC/SDXP, Andrews AFB DC 20334-5000. The focal points within these organizations will obtain coordination on the forms from the cognizant offices or agencies within their headquarters. The HQ AFSC focal point will send the coordinated forms for preferred items to AFLC CASC/CBRS and the forms for standard items directly to HQ USAF/RDXM.

(2) All AFLC/AFSC Forms 6 for avionics will be sent to ASD-AFALC/AXT for coordination. All forms for SE will be sent to ASD/AEGS for coordination. (NOTE: The Requirements and Systems Support Division, ASD/AEGS, of the Support Equipment System Program Office, ASD/AEG, is jointly staffed with AFSC and AFLC personnel.) After coordinating on the forms, these organizations will send the forms to the applicable approval authority.

#### 7. Focal Point Responsibilities:

a. AFLC CASC/CBRS is the OPR for maintaining and distributing the AF S/PIL and is delegated as the HQ AFLC program manager. This focal point will—

(1) Maintain a suspense system to record the status and location of each AFLC/AFSC Form 6 reviewed and published.

(2) Review the forms for format, spelling, and completeness.

(3) Route the forms to their equipment specialists for a review of the accuracy and completeness of the technical data.

(4) Ensure that HQ AFSC/SDXP has approved or disapproved the forms initiated by AFSC and has coordinated on those initiated by AFLC.

(5) Coordinate on the forms initiated by AFSC and approve or disapprove those forms initiated by AFLC.

(6) Ensure that HQ USAF/RDXM has approved all standard items.

(7) Ensure that any disapproved forms are returned to the appropriate focal point with a reason for the disapproval.

(8) Ensure that the Deputy for Avionics Control (ASD-AFALC/AX) has coordinated on all avionics items.

(9) Ensure that ASD/AEGS has coordinated on all SE.

(10) Publish the AF S/PIL in January and the supplements in April, July, and October.

(11) Distribute copies of the AF S/PIL to all activities on the distribution list and upon request.

(12) Print and distribute hard copies of the AF S/PIL to each focal point.

(13) Host a revalidation meeting the second week of October each year. Program problems and revalidation of each item currently on the list will be discussed.

(14) Send copies of the forms currently on the AF S/PIL to the appropriate focal points in July for review before the October meeting.

b. The ALC focal points will—

(1) Set up routing and reviewing procedures in their organizations to include all offices that need to review the form.

(2) Maintain a suspense system for new and revalidated forms to ensure adequate tracking during review in their organizations.

(3) Review all forms initiated at their ALC for format and completeness.

(4) Return incomplete forms to the initiator with a statement where corrections are needed.

(5) Receive copies of the forms in July for items currently in the AF S/PIL and ensure initiators do a revalidation review of their items.

(6) Attend the October revalidation meeting at AFLC CASC/CBRS. Bring the revalidated forms and any program problems for discussion.

(7) Send forms for avionics items to ASD-AFALC/AXT and copies of those forms to HQ AFSC/SDXP and AFLC CASC/CBRS.

(8) Send forms for SE to ASD/AEGS and copies of those forms to HQ AFSC/SDXP and AFLC CASC/CBRS.

(9) Send all other forms to AFLC CASC/CBRS and copies of those forms to HQ AFSC/SDXP.

c. Product division focal points will—

(1) Set up routing and reviewing procedures in their organizations to include all offices that need to review the form.

(2) Maintain a suspense system for new and revalidated forms to ensure adequate tracking during review in their organizations.

(3) Review all forms initiated at their product division for format and completeness.

(4) Return incomplete forms to the initiator with a statement where corrections are needed.

(5) Receive copies of the forms in July for items currently in the AF S/PIL and ensure that initiators do a revalidation review of their items.

(6) Attend the October revalidation meeting at AFLC CASC/CBRS. Bring the revalidated forms and any program problems for discussion.

(7) Send forms for avionics items to ASD-

AFALC/AXT and copies of those forms to HQ AFSC/SDXP and AFLC CASC/CBRS.

(8) Send forms for SE to ASD/AEGS and copies of those forms to HQ AFSC/SDXP and AFLC CASC/CBRS.

(9) Send all other forms to HQ AFSC/SDXP and copies of those forms to AFLC CASC/CBRS.

d. The ASD-AFALC/AXT focal point will—

(1) Review all forms for avionics items and recommend approval or disapproval.

(2) Send the forms for disapproved items back to the appropriate focal point with a reason for the disapproval.

(3) Send forms recommended for approval and copies of the forms for disapproved items, initiated by the product divisions, to HQ AFSC/SDXP.

(4) Send forms recommended for approval and copies of the forms for disapproved items, initiated by the ALCs, to AFLC CASC/CBRS.

(5) Attend the October revalidation meeting at AFLC CASC/CBRS.

e. The ASD/AEGS focal point will—

(1) Review all forms for support equipment items and recommend approval or disapproval.

(2) Send forms for disapproved items back to the appropriate focal point with a reason for disapproval.

(3) Send the forms recommended for approval and copies of the forms for disapproved items, initiated by the product divisions, to HQ AFSC/SDXP.

(4) Send the forms recommended for approval

and copies of the forms for disapproved items, initiated by the ALCs, to AFLC CASC/CBRS.

(5) Attend the October revalidation meeting at AFLC CASC/CBRS.

f. The HQ AFSC/SDXP focal point will—

(1) Review and approve or disapprove items initiated by the product divisions.

(2) Review and coordinate on ALC-initiated items and send coordinated copy to AFLC CASC/CBRS.

(3) Return the forms for disapproved items and a reason for disapproval to the product division focal point and copies to AFLC CASC/CBRS.

(4) Send approved forms to AFLC CASC/CBRS for final review and input to the AF S/PIL.

(5) Attend the October revalidation meeting at AFLC CASC/CBRS.

g. The HQ USAF/RDXM focal point will—

(1) Receive all forms for proposed standard items from AFLC CASC/CBRS.

(2) Approve or disapprove the proposed standard items.

(3) Send the forms that have been disapproved, with a reason for disapproval, to HQ AFSC/SDXP. The forms for disapproved items and the reason for disapproval will be returned to the initiator by HQ AFSC/SDXP.

(4) Send the forms for approved items to AFLC CASC/CBRS. The approved forms will be input to the AF S/PIL.

(5) Attend the October revalidation meeting at AFLC CASC/CBRS.

## COMPONENT BREAKOUT PROCESS

**1. Purpose of This Attachment.** This attachment tells how to plan for and convert equipment from CFE to GFE. The objective is to acquire items as GFE when significant cost savings can occur by purchasing directly from the original producer or supplier.

**2. Approach to Conversion:**

**a. Preparing for Conversion.** Determine when the next production acquisition RFP is to be released. Schedule the annual component breakout review before the release so that the RFP will reflect the review results. Establish a group from the various functional offices to perform the review.

**b. Item Identification.** Review the current configuration of the system. Identify those CFE items that are a "buy" item to the system prime contractor of \$1 million or more total cost, or that have a total LCC savings in excess of \$1 million.

**c. Item Review.** Circulate within the program/system office a description of the item and obtain functional office answers to the questions posed by DAR 1-326.4 and FAR Supplement 7.7202-4. Obtain estimates of the costs in funds or people needed to perform the breakout.

**d. Item Grouping.** Place each of the items reviewed into one of three groups: (1) no potential for breakout, (2) can be broken out, or (3) have a potential for breakout. Items classified as having no potential for breakout primarily on the basis of cost will have a cost analysis performed. However, the effect of breakout on some unique feature of the program acquisition strategy, such as a warranty,

should be recognized. Cost analysis should proceed to full identification of offsetting government cost to obtain the necessary engineering data and the additional manpower expense to manage the item. The cost analysis can be stopped when the postulated savings is no longer substantial. The basis for stopping must be documented. For those items having a potential for breakout, a time-phased action plan will be developed. The plan will clearly identify the obstacles, what action is needed to remove the obstacles, and who will take the action.

**e. Documentation of Results.** Produce a report (DAR 1-326.5 and DOD FAR Supplement 17.7202-5) that summarizes the results of this annual activity. The report is to be signed by the program director/system manager. Have the RFP modified to reflect the review results. Implement the actions to acquire the broken-out items. Send a copy of the report to the product division/ALC OPR.

**f. Report Format:**

I. List of items that can be broken out (for each item discuss the following):

A. Selection rationale.

B. Implementation plan.

II. List of items that have potential for breakout (for each item discuss the following):

A. Selection rationale.

B. Documentation of obstacles and discussion of when component breakout should be feasible.

C. Time-phased implementation.

III. Items that have no potential for breakout (document selection rationale).

**g. Track the Potential Items.** Periodically assess the status of the action plans for those items having a potential for breakout. Revise and update the item action plans so the next annual review can proceed smoothly.

**POLICY AND PROCEDURES FOR LOAN OR LEASE OF MILITARY PROPERTY**

**1. General Introduction.** The GFE/CFE review process may determine that it would be advantageous to the Air Force to loan (bail) or lease government-owned property to a contractor for R&D, production, or other major contracts. Use of loaned or leased property should be carefully considered, especially in the case of equipment peculiar to military operations. Such use could reduce overhead and produce additional competitive bids from interested contractors. Military property, according to this regulation, is under strict budget control, is usually not bought for issue under a stock-level concept, and commonly has a long production lead time. Therefore, asset accountability and visibility must be maintained for assets loaned to contractors so that assets can be considered for other users in requirement computations and budget projections.

**2. Purpose of Policy.** This attachment outlines policies and procedures to ensure, if military property is to be loaned or leased to contractors, that such assets are listed on the RFP or invitation for bid (IFB) and are made available promptly to contractors when required to meet the terms of the contracts; that the prime IMS does not lose visibility of the assets while they are on loan or lease; and that assets are returned to the Air Force for other users at the expiration of the loan or lease requirement.

**3. Policy Procedures.** According to DAR 13-103 and FAR 45.310, military property may be furnished for supply or service contracts or on a special bailment contract. DAR B-105 and FAR 45.310 state the contract under which military property is provided may contain specific requirements for maintenance and control. The following guidelines will be included in all loan and lease agreements or contracts for military property (other points may be introduced as necessary):

a. All military property meeting the definition of DAR 13-101.7 and FAR 45.301 that is provided the contractor must be controlled as loaned (bailed) or leased whether obtained from Air Force stock; acquired under AFSC or AFLC contracts for use by the contractor; or acquired by the contractor, with title vested in the government. Any deviation from inclusion of these control elements must be approved by HQ AFSC/SDX or HQ AFLC/MML in writing for AFSC or AFLC contracts. Approval must be kept on file for 3 years after the contract is closed.

b. All military property loaned (bailed) or leased to the contractor must be documented and authorized by a special bailment contract or lease or be included as an exhibit or appendix to the basic R&D, production, or other type of contract.

c. A consolidated list of military property required for loan or lease to the contractor will be made an exhibit or appendix to the basic contract

or agreement. This list will be titled "Loan Property List" or "Lease Property List" as applicable. The following data will appear on the list. Other information may appear, if necessary.

(1) Complete contract number, including exhibit or appendix identification.

(2) Federal stock number (NSN or NC number).

(3) Nomenclature.

(4) Total quantity required.

(5) Month and year assets by quantity are required to be shipped to the contractor's facilities.

(6) Month and year assets by quantity will be returned to the Air Force.

(7) Indication whether contractor will acquire property.

d. Each item of military property on loan or lease will be identified by federal item identification number (NSN or NC number) and nomenclature according to DAR 13-103 and FAR 45.505-1. If an item is acquired by AFSC or AFLC contract for use by the contractor or obtained by the contractor from other sources, federal cataloging action must be taken as soon as possible.

e. Military property will be accounted for under each contract number for which a loan or lease is made (DAR 13-103 and FAR 45.310). Property may not be transferred from one contract to another or otherwise disposed of without the approval of the prime ALC IMS.

f. The contractor must maintain property accounting records for military property by federal stock numbers (NSN or NC numbers) and nomenclature (DAR B-105 and FAR 45.505-1). The contractor must make available such records, which will include asset quantities for each stock number that are in the contractor's or subcontractor's hands, when requested to do so by the government (DAR B-101 and FAR 45.506). The intent of this requirement is to reconcile contractor records with Air Force IMS records. This reconciliation may be done annually if the prime IMS believes it necessary.

g. MILSTRIP requisitions must be submitted by or for the contractor for all military property, according to DAR Appendix H, DOD FAR Supplement Appendix H, and DOD 4140.17M. Property acquired on AFSC or AFLC contracts to support loan or lease requirements will have shipping instructions placed against these contracts by the IMS to support contractor requisitions for these assets. The following data fields must be filled in as follows:

(1) Card columns 45-50. Must contain contractor stock record account to which shipment is being made if different from the stock record account number appearing in card columns 30-35.

(2) Card column 51. Must contain "D" or "R" for loan and appropriate signal code "C" or "L" for leased items. (NOTE: SEE AFM 67-1, vol I, part one, chap 10, section N, subsection 2).

(3) Card columns 52-53. Must be blank for loan and appropriate funds code for leased items. (NOTE: See AFM 67-1, vol I, part one, chap 10, section N, subsection 2 and AFSCR 170-6).

(4) Card column 56. Must contain "K."

(5) Card columns 57-59. Must contain project code 507, 508, 525, or 273 if for a lease agreement (AFM 67-1, vol I, part one, chap 10, section N, subsection 2).

(6) Card columns 77-80. Must contain last 4 digits of contract number.

h. If the loan/lease property list has prime items, a copy of the list will be sent to each ALC (MMMS) (ATTN: Loan/Lease Control Officer).

i. Contract language will be incorporated to require the PCO, CAO, or AFPRO to comply with paragraph 4.

j. The contractor will comply with disposition instructions from the CAO or AFPRO promptly at the end of the loan or lease period. If disposition instructions have not been received 60 days after the end of the loan or lease period, the contractor will request disposition instructions from the CAO or AFPRO. The CAO or AFPRO, in turn, will request disposition instructions from the prime ALC loan/lease control officer.

**4. Joint Responsibilities.** Coordination and cooperation by a number of functional organizations and individuals will be necessary to implement the loan or lease requirements. The following actions will be required, as a minimum. AFSC and AFLC organizations may supplement this regulation as necessary for improvements that would benefit the Air Force. They may also contact HQ AFSC/SDX or HQ AFLC/MML to suggest improvements to this regulation.

a. HQ AFSC/SDX and HQ AFLC/MML are jointly responsible for AFSC and AFLC management policies and procedures concerning loan and lease. HQ AFSC/SDX must make sure AFSC product divisions receive and implement these policies and procedures. HQ AFLC/MML must do the same for ALCs.

b. AFSC product divisions will appoint an OPR to develop and maintain local policies and procedures for deciding feasibility of loans or leases to contractors of GFP.

(1) The OPR will make sure the projected list of military property available for loan or lease is included in the RFP or IFB.

(2) The OPR will give the AFSC program office any necessary guidance on interpretation of local policies regarding loan or lease.

c. The AFSC or AFLC program/system office will—

(1) Select specific items of military property for loan or lease to contractors.

(2) Make sure loan or lease control procedures are implemented.

(3) Determine if military property selected for loan or lease can be obtained from ALC IMSs for use by the contractor.

(4) If loan or lease requirements cannot be supported from AFLC stock, make sure that property is acquired by AFLC, AFSC, or the contractor. NOTE: All military property provided the contractor is to be considered loan or lease.

(5) Make sure all military property approved for loan or lease is placed on a loan or lease property list and ensure that information is sent to the product division for inclusion in the contract or agreement as an exhibit or appendix.

(6) Revise the loan or lease property list as property requirements change.

(7) Make sure ALC/MMMS gets a complete copy of the loan/lease property list and all changes if the ALC has a prime stock number on the list.

(8) Make sure property is provided on a timely basis to meet the need date on the list.

(9) Make sure MILSTRIP requisitions are submitted for all items to be supplied from AFLC stock or AFLC or AFSC contracts.

(10) Appoint a loan or lease property manager who will—

(a) Be the point of contact for loan and lease procedures for military property.

(b) Prepare and process parts I and IV (and III if applicable) of AFLC/AFSC Form 8.

(c) Assign control numbers, maintain files, and track processing of AFLC/AFSC Form 8.

(d) Prepare the loan or lease property list from completed AFLC/AFSC Forms 8, keep it current, and distribute it to product division and ALC offices for inclusion in contracts, to the ALC/MMMS, and to other offices requiring the data.

(e) Coordinate with the ALC loan or lease control office to make sure records of assets are sent to the contractor.

(f) Ensure policy, procedures, and responsibilities in paragraphs 3 and 4c above are carried out as directed by the program/system office.

d. The ALC will be responsible for the following:

(1) The D/MM (MMM) will establish controls and local operating instructions that comply with this regulation and AFM 67-1, volume III, part one, chapter 10 and volume I, part one, chapter 10, section N.

(2) The ALC will designate a loan/lease control officer in D/MM (MMMS) to do the following:

(a) Receive AFLC/AFSC Forms 8 from the program/system office and set up a file folder for each.

(b) Assign a suspense control number to each form and send it to the stock number prime IMS for evaluation and processing.

(c) Receive completed AFLC/AFSC Forms 8 from the IMS, update file folders, and send the forms to the program/system office loan or lease property manager.

(d) If part II of the form is approved by the IMS to loan or lease assets, prepare an interaccount transfer to move assets reserved for loan or lease into ownership or purpose code "K," pending receipt of



contractor requisition. If the contractor requisition is not received within 30 days after date scheduled for loan or lease period to begin, contact program/system office loan or lease property manager to confirm continued need. Purge account "K" asset balances as needed.

(e) Receive and maintain an updated loan or lease property list.

(f) Receive and validate contractor requisition against the loan or lease property list, release valid requisitions for shipment from account "K" balance, and backorder and query contractor about requisitions not supported by the list.

(g) Maintain a suspense record of shipments to the contractor in the J041 System for visibility as due-in assets according to AFM 67-1, volume III, part one, chapter 10.

(h) Thirty days before the end of the loan or lease period, query the prime IMS regarding Air Force requirements for assets on loan or lease and send the redistribution order to the AFPRO or CAO to return assets to Air Force stock or for shipment to another user.

(i) Receive from IMS copies of PRs/MIPRs

that have loan or lease item requirements. Prepare AFLC/AFSC Form 8, section I, and send the form to the loan or lease control officer at the prime ALC for review and processing.

(3) The prime IMS will--

(a) Receive AFLC/AFSC Forms 8 from the loan or lease control officer.

(b) Review projected loan or lease requirements against requirements computation to determine if assets will be available during specified loan or lease period. Annotate AFLC/AFSC Forms 8, sections II and III as required, and return the forms to the loan or lease control officer (atch 3).

(c) If the PR/MIPR written by the IMS has a requirement for loan or lease, annotate PR/MIPR "Contains Loan or Lease Items." Attach list of stock numbers required as a loan or lease property list.

(d) Inform loan or lease control officer what disposition action to take with military property at the end of the loan or lease period.

(4) The AFPRO or cognizant CAO will help the loan or lease control office redistribute loaned or leased military property.

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NO

HQ AFMC WRIGHT PATTERSON AFB OH//LGIC//

AIG 9411//IMPD//MSIPD//

AI 9427//MSIPD//IMPD//

ZEN HQ AFMC WRIGHT PATTERSON AFB OH//IMPP//

INFO 645 MSSQ WRIGHT PATTERSON AFB OH//MSIPD//

UNCLAS

1. THE FOLLOWING MESSAGE CHANGE 93-01 TO AFMCR 800-31,

DATED 31 MAY 85

ATTACHMENT 10, PARAGRAPH 4 TO READ: " RESPONSIBILITIES. COORDINATION AND COOPERATION BY A NUMBER OF FUNCTIONAL ORGANIZATIONS AND INDIVIDUALS WILL BE NECESSARY TO IMPLEMENT THE LOAN OR LEASE REQUIREMENTS. THE FOLLOWING ACTIONS WILL BE REQUIRED, AS A MINIMUM. AFMC PRODUCT DIVISIONS AND AIR LOGISTICS CENTERS DESIGNATED OPRS MAY SUPPLEMENT THIS REGULATIONS AS NECESSARY FOR IMPROVEMENTS THAT WOULD BENEFIT THE AIR FORCE. THEY MAY ALSO CONTACT HQ AFMC/LGI TO SUGGEST IMPROVEMENTS TO THIS REGULATION ALONG WITH CONDUCTING WORKSHOPS TO CLARIFY POLICY AND RESOLVE ISSUES."

2. DELETE PARAGRAPH 4A IN ITS ENTIRETY AND RENUMBER THE REMAINING SUB-PARAGRAPHS.

3. POC IS SARA BLACK, HQ AFMC/LGIC- 4, DSN 787-7230.

SARA A. BLACK, SUPPLY SYSTEM ANAL  
HQ AFMC/LGIC, 7-7230

ROBERT BRANT, CHIEF, LGIC, 73336  
CRC: 10055

LGIC	Black	3/22/93
FAPP	WAD	3/23/93

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NO

HQ AFMC WRIGHT PATTERSON AFB OH//LGS//

AIG 9411//IMPD/MSIPD//

██  
645 MSSQ WPAFB OH//MSIAPD//

UNCLAS

SUBJ: INTERIM MESSAGE CHANGE 92-3 TO AFMCR 800-31, DATED 31 MAY 85

1. THE FOLLOWING CHANGES ARE TO BE IMPLEMENTED UPON RECEIPT OF THIS  
IMC:

PARAGRAPH 9.C.(1) TO READ: "RECEIVE FROM THE MUCO AND PROCESS AFMC  
FORM 8 FOR BOTH PRELIMINARY AND FINAL PROGRAM REQUIREMENTS. MAINTAIN  
NECESSARY HISTORICAL RECORDS AND RETURN FORMS THROUGH THE MUCO TO THE  
PROGRAM/SYSTEM OFFICE. IF AN ITEM REQUESTED ON THE AFMC FORM 8 IS  
MANAGED BY ANOTHER SERVICE'S PICA, CALL OR SEND A MESSAGE TO THE PICA  
FOR DATA TO COMPLETE THE FORM. ENSURE THAT THE FORM INDICATES  
WHETHER THE ITEM IS A LOAN ITEM OR WHETHER THE PROGRAM/SYSTEM OFFICE  
FUNDS WILL BE USED TO REIMBURSE. ALSO, INDICATE ON THE FORM THAT  
NECESSARY DATA HAS BEEN ENTERED INTO THE AFMC LOGISTICS DATA  
SYSTEMS."

2. QUESTIONS MAY BE ADDRESSED TO SARA BLACK, HQ AFMC/LGSI-1, DSN  
787-5515.

SARA BLACK SUPPLY SYSTEM ANALYST  
AFMC/LGSI/75515/IMC92-38

**SIGNEI**  
COL ROCKY E. BARNARD, LGS, 74108  
CRC: 5751

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01 01 001901Z MAR 92 RR UUUU

DYS0N261413

HQ AFMC(P) WRIGHT PATTERSON AFB OH//LG//

AIG 9427//MSIPD/IMPD//

ZEN 2750MSSQ WRIGHT PATTERSON AFB OH//MISPD/XRL//

UNCLAS

SUBJECT: INTERIM MESSAGE CHANGE 92-2 TO AFSC/AFLCR 800-31,

31 MAY 85.

1. EFFECTIVELY 1 JULY 1992 SUBJECT REGULATION BECOMES AFMCR 800-31.

ALL REFERENCES TO AFLC OR AFSC BECOMES AFMC EFFECTIVE THAT DATE.

PLEASE ANNOTATE ACCORDINGLY.

2. THE PRESCRIBED FORMS BELOW WILL BECOME AFMC FORMS ON THE ABOVE

DATE:

AFLC/AFSC FORM 6 BECOMES AFMC FORM 6

AFLC/AFSC FORM 7 BECOMES AFMC FORM 7

AFLC/AFSC FORM 8 BECOMES AFMC FORM 8

3. POC IS SARA BLACK, HQ AFLC/LGSI-1, DSN 787-5515.

BLACK, S. J. LGSI-1, 75515  
800-31.WPFGERALD L. YANKER  
Assistant DCS/Logistics**SIGNED**

UNCLASSIFIED

## COORDINATION

SYMBOL	NAME	DATE
LGSI-1	S. J. Black	3/27/92

UNCLASSIFIED

01 02 018204 <sup>APR</sup> ~~MAR~~ 92 RR

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DYSON2614

HQ AFLC WRIGHT PATTERSON AFB OH//LGS//

AIG 9427//MSIPD/IMPD//

ZEN 2750MSSQ WRIGHT PATTERSON AFB OH//MISPD/XRL//

UNCLAS

SUBJECT: INTERIM MESSAGE CHANGE 92-1 TO AFSC/AFLCR 800-31, 31 MAY 85.

1. THE FOLLOWING CHANGES ARE TO BE IMPLEMENTED UPON RECEIPT OF THIS IMC:

A. PARAGRAPH 6B(13) TO READ: "PREPARE THE MGFELS AND MCFELS FOR INCLUSION IN THE CONTRACT, AND AFTER CONTRACT AWARD KEEP THE LISTS CURRENT. HAVE COPIES OF THE LISTS (INCLUDING REVISIONS RESULTING FROM CONTRACT CHANGES) SENT TO EACH ALC/MUCO/MMS FOR ALL GFE ITEMS. ENSURE THE NSN AND QUANTITY IS INCLUDED FOR EACH ITEM."

B. ATTACHMENT 3, PARAGRAPH 1C TO READ: "THE PROGRAM/<sup>SYSTEM</sup>~~PROGRAM~~ OFFICE WILL COMPLETE SECTION I OF THE FORM AND SEND IT TO THE MUCO OF THE AFLC FASC/MMAC PRIME ITEM ALC (AFLCR 523-3 OR THE MASTER EQUIPMENT MANAGEMENT INDEX, TAD01) FOR GFE. THE PROGRAM/SYSTEM OFFICE WILL COMPLETE SECTION I OF THE FORM AND SEND IT TO THE MMMS OFFICE (LOAN/LEASE CONTROL OFFICE) AT THE PRIME ITEM ALC FOR LOAN OR LEASE PROPERTY REQUIREMENTS. ON RECEIVING THE FORM THE PRIME ALC MUCO OR

BLACK, S., 75515, LGS  
800-31A.WPF

COORDINATION		DATE
CONTROL	NAME	
LGS	1373 (a.c.)	3/27/92
IMFP	W. A. Kemp	3/27/92
LGS	Carcedi	3/27/92
XRLA	Shum	27 Mar 92

UNCLASSIFIED

SIGNED

CÉCIL J. GLENN  
Deputy Director, Supply Operations

UNCLASSIFIED

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SARAM261402

LOAN/LEASE CONTROL OFFICER WILL-"

C. ATTACHMENT 3, PARAGRAPH 1C(3)-(C) TO READ: "WHEN THE IMS EVALUATION HAS BEEN ACCOMPLISHED, THE FORM WILL BE RETURNED TO THE MUCO OR LOAN/LEASE OFFICER WHO, IN TURN, WILL REVIEW THE FORM, SIGN IT, UPDATE THE FILES AND RETURN TO THE SUBMITTING PROGRAM/SYSTEM OFFICE."

2. QUESTIONS MAY BE DIRECTED TO SARA BLACK, HQ AFLC/LGSI-1, DSN 787-5515.

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ROUTINE

MLN-017367

IMC 86-1  
AFSCR/AFLCR 800-31  
10 JUNE 86

RAAUZYUW RUEOAWA7183 1621253-0000-RUVAFLC.  
ZNR UUUUU  
R 102245Z JUN 86  
FM HQ AFSC ANDREWS AFB MD//SOX//  
TO AIG 9707//DAP//  
RUVAFLC/2750ABW WRIGHT PATTERSON AFB OH//DAPD//  
RUVAFLC/HQ AFSC WRIGHT PATTERSON AFB OH//MML//  
INFO RUWMPFA/AFISD NORTON AFB CA//IGYB//  
ACCT AF-AMXJRF

BT

UNCLAS

SUBJECT: INTERIM MESSAGE CHANGE 86-1 TO AFSCR/AFLCR 800-31,  
31 MAY 85.

WRITE-IN CHANGES:

PG	PARA	LINES
5	4J	

ACTION

ADD "PROGRAM MANAGERS ARE ENCOURAGED  
TO ADDRESS COMPONENT BREAKOUT AS A  
BUSINESS STRATEGY PANEL (BSP) ISSUE  
(AFSC SUP 1 TO AFR 70-14)."

"ADD TO END OF FIRST SENTENCE "BY  
15 OCTOBER OF EACH YEAR."

CHANGE TO "GRAM OFFICE ACTIVITY TO

6	5U(5)	2
---	-------	---

6	5U(5)	5
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PAGE 02 RUEOAWA7183 UNCLAS

HQ AFSC/SOX BY 30 OCTOBER."

BT

07183

NNNN

1986 JUN 12 A 10:47

RECEIVED

TOR-16215437

ROUTINE

MLN-017367

TOR-22 91 62 9Z

ROUTINE

MLN-03 26 36

RA AUZYUW RUEOAWA7531 2291209-UUUU-RUWAFLC

ZNR UUUU

R 161500Z AUG 85

FM HQ AFSC ANDREWS AFB MD/SDX//

TO AIG 9707//DAP//

RUVAFLC/2750 ABW WPAFB OH//DAPD//

INFO RUVAFLC/HQ AFSC WPAFB OH//MM//

RUVAHQA/ASD WPAFB OH//AEG//

ACCT AF-ACXJRF

BT

UNCLAS

SUBJECT: INTERIM MESSAGE CHANGE 85-1 TO AFSCR/AFLCR 800-31,

31 MAY 85.

WRITE- IN CHANGES:

PG	PARA	LINES
5	4U	6,7

ACTION

DELETE "AND ASD/AEGS MUST COORDINATE ON  
ALL SE RECOMMENDED FOR THE AF S/PIL."

39	3	13
52	6U(2)	2 CHFU 7

DELETE "ASD/AEGS."

DELETE SECOND SENTENCE AND PARENTHE TICAL  
NOTE

53	7
53	7?

DELETE

RENUMBER "7"

PAGE 02 RUEOAWA7531 UNCLAS

53 79

RENUMBER "7F"

BT

#7531

NNNN

TOR-22 91 62 9Z

ROUTINE

MLN-03 26 36